



County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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BRYCE YOKOMIZO
Director

LISA NUÑEZ
Chief Deputy

February 21, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

**RECOMMENDATION TO AWARD A CONTRACT TO
WETIP, INCORPORATED TO PROVIDE
ANONYMOUS WELFARE FRAUD REFERRALS AND REWARD SERVICES
(ALL SUPERVISORIAL DISTRICTS - 3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Mayor to sign the enclosed contract with WeTip, Incorporated, effective the day after Board approval or March 22, 2006, whichever is later, to provide a Welfare Fraud Reporting and Informant Reward Program. This contract is for a three year term. The three year maximum contract amount of \$184,927 is fully funded by federal and state revenue. There is no additional Net County Cost (NCC) once the County has met the CalWORKs Maintenance of Effort (MOE) requirement. There is a minimal NCC that results from costs associated with other programs, such as General Relief, which is included in the Department's FY 2005-06 adopted budget. The estimated cost for FY 2005-06 is \$17,068 and is included in the Department's Adopted Budget for FY 2005-06. Funding for future years will be included in the Department's budget requests.

2. Delegate authority to the Director of the Department of Public Social Services (DPSS), to prepare and sign amendments to this contract for any increases of no more than ten (10) percent of the contract amount when the change is necessitated by additional and necessary services that are required in order for the Contractor to comply with changes in Federal, State or County requirements. The approval of County Counsel and the Chief Administrative Office (CAO) will be obtained prior to executing such amendment, and the Director of DPSS will notify the CAO in writing within ten business days after execution.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The current contract with WeTip, Inc. provides a 24-hour per day, seven-day a week, toll-free telephone line for the public to anonymously report suspected welfare fraud crimes. WeTip, Inc. provides trained multilingual operators experienced in questioning callers to elicit sufficient details of reported instances of suspected welfare fraud crimes in order to report this information to DPSS and provides trained staff to anonymously distribute rewards as approved by DPSS.

In December 1987, your Board approved Supervisor Antonovich's motion for a pilot project with WeTip, Inc., a private nonprofit enterprise, to provide a Welfare Fraud Reporting and Informant Reward Program.

In March 1988, your Board approved a two-year contract with WeTip, Inc. to implement this program. The program was found to be highly effective in helping to identify and reduce welfare fraud. Three year contracts with WeTip, Inc. were approved in March 1990 and March 1993. In 1996, a one-year contract with WeTip, Inc. was approved. Three-year contracts with WeTip, Inc. were approved in 1997, 2000, and 2003. The current contract expires on March 21, 2006.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

These recommendations are consistent with the principles of the Countywide Goal # 1: Service Excellence. The CAO Strategic Plan promotes the effective delivery of services within the County, by implementing strategies related to strategic management, fiscal responsibility, strategic planning, performance measurement, service integration, and best practices (CAO Strategic Goal B and C).

FISCAL IMPACT/FINANCING

The maximum amount for this contract for the three-year period commencing on the day after Board approval or March 22, 2006, whichever is later, through March 21, 2009, is \$184,927, an increase of \$16,002 from the current contract budget of \$168,925. The increased costs are due primarily to increases in employee salary and benefits. This Fiscal Year's portion of the contract cost (from March 22, 2006 through June 30, 2006) is approximately \$17,068 and is included in the Department's FY 2005-06 adopted budget.

The contract cost for these services is claimed to CalWORKs and Food Stamps. Once the County has met the CalWORKs and Food Stamps Maintenance of Effort (MOE) requirement, there is no additional net County cost (NCC) for these programs. The share of costs associated with other programs, such as General Relief, results in an estimated NCC of \$5,000 annually which is included in the FY 2005-06 adopted budget. Funding for future years will be included in the Department's annual budget request.

In addition to the contract amount, there is a County Informant Reward fund of \$20,000 annually for both the DPSS and the Contractor's Reward Program. The reward fund is 100 percent County funded and will be absorbed in this year's Departmental budget.

FACTS AND PROVISIONAL/LEGAL REQUIREMENTS

WeTip, Inc. is a non-profit organization designed to take information from and pay rewards to informants while maintaining an informant's anonymity. It has served Los Angeles County since 1972 and has provided these services to DPSS since 1988.

The contract term is for three years, commencing on the day after Board award or March 22, 2006, whichever is later, through March 21, 2009.

The contract authorizes the Director of DPSS, to approve an increase in costs up to ten (10) percent of the total original contract amount, if an increase is needed for additional units of service or to comply with changes in federal, State or County requirements.

The County may terminate the contract with a thirty (30) calendar day prior written notice. The contract also contains provisions that limit the County's obligation if the Board does not appropriate funding for each year of the contract.

The contracts are in compliance with all Board and Chief Administrative Office requirements. The Contractor will not be asked to perform services that exceed the approved contract amount, scope of work and contract dates.

The contractor is in compliance with the Jury Service Program.

The contract is a non-Prop A contract and exempt from the Living Wage Ordinance.

The contract has been reviewed and approved as to form by County Counsel.

CONTRACTING PROCESS

In October 2005, proposals were solicited through the Request for Proposal (RFP) process. Of the six (6) agencies that requested the RFP, only one, WeTip, Inc., the current contractor, submitted a proposal. Since no other proposals were submitted, DPSS is recommending that WeTip, Inc. be awarded this contract as the sole contractor that is willing and available to provide these services.

IMPACT ON CURRENT SERVICES

The award of this contract will not infringe on the role of the County in relationship to its residents, and the County's ability to respond to emergencies will not be impaired. There is no change in risk exposure to the County.

The award of this contract will assist the County in its efforts to prevent welfare fraud and help to ensure that benefit programs are not misused.

CONCLUSION

The Executive Officer, Board of Supervisors, is requested to return one (1) adopted stamped Board Letter and four (4) original signed copies of the contract.

Respectfully submitted,



Bryce Yokomizo,
Director

BY:mh

Enclosures

Auditor-Controller
Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors



CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

WETIP, INC.

FOR

**ANONYMOUS FRAUD REFERRALS
AND REWARD SERVICES**

MARCH 22, 2006

Prepared by
Department of Public Social Services
Welfare Fraud Prevention & Investigations Section
12000 Hawthorne Boulevard
Hawthorne, California 90250



**COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

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**COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
WETIP, INC.
FOR
ANONYMOUS FRAUD REFERRALS AND REWARD SERVICES**

This Contract is made and entered into this _____ day of _____, _____, by and between the County of Los Angeles, hereinafter referred to as COUNTY, and WeTip, Inc., hereinafter referred to as CONTRACTOR.

RECITALS

WHEREAS, CONTRACTOR, a non-profit enterprise, is qualified to provide toll-free hot lines for the public to anonymously report suspected crimes, and is located at P.O. Box 1296, Rancho Cucamonga, California 91729-1296 and

WHEREAS, CONTRACTOR is able to staff toll-free telephone lines, 24 hours a day, seven-days a week, with trained multilingual staff experienced in questioning informants to elicit sufficient details for governmental agencies to investigate the reported instances of suspected crimes; and

WHEREAS, CONTRACTOR has in place an existing network of trained volunteers in Los Angeles County available to promote and publicize the welfare fraud hot line; and

WHEREAS, CONTRACTOR is able to provide rewards to welfare fraud informants without compromising welfare fraud informants' anonymity; and

WHEREAS, CONTRACTOR has been involved in and has developed expertise in delivering these services; and

WHEREAS, CONTRACTOR has submitted a proposal to the COUNTY for provision of such services and based upon non-competitive negotiation under Code of Federal Regulation 45, Part 74 (Administration of Grants) and California Department of Social Services regulations and policies, CONTRACTOR has been selected for recommendation award of this Contract; and

WHEREAS, this Contract is further authorized by California Government Code Section 26227.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

1.0 APPLICABLE DOCUMENTS

Appendixes A, B, C, D, E, F, G, H, I and J are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Appendixes or between Appendixes, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Appendixes according to the following priority.

Technical Exhibits:

- 1.1 Appendix A - Statement of Work
- 1.2 Appendix B - Technical Exhibits
- 1.3 Appendix C - Required Forms
- 1.4 Appendix D - County of Los Angeles Policy on Doing Business with Small Business
- 1.5 Appendix E - Compliance with County's Jury Service Program
- 1.6 Appendix F - Determination of Contractor Non-Responsibility and Contractor
Debarment Ordinance
- 1.7 Appendix G - Listing of Contractors Debarred in Los Angeles County
- 1.8 Appendix H - California Charities Regulation
- 1.9 Appendix I - IRS Notice 1015
- 1.10 Appendix J - Safely Surrendered Baby Law

This Contract and the Appendixes hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Sub-paragraph 8.6 - Change Notices and Amendments and signed by both parties.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 **Board of Supervisors** - The Board of Supervisors of the County of Los Angeles.
- 2.2 **Contract:** Agreement executed between COUNTY and CONTRACTOR. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Appendix A.
- 2.3 **CONTRACTOR:** The sole proprietor, partnership, or corporation that has entered into a contract with the COUNTY to perform or execute the work covered by the Statement of Work.
- 2.4 **CONTRACTOR Project Manager:** The individual designated by the CONTRACTOR to administer the Contract operations after the Contract award.
- 2.5 **COUNTY Contract Monitor:** Person with responsibility to oversee the day-to-day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by CONTRACTOR.
- 2.6 **COUNTY Contract Director:** Person designated by COUNTY with authority for COUNTY on contractual or administrative matters relating to this Contract that cannot be resolved by the COUNTY's Contract Administrator.
- 2.7 **COUNTY Contract Administrator:** Person designated by COUNTY's Contract Director to manage the operations under this Contract.
- 2.8 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.9 **Department of Public Social Services (DPSS)** - The COUNTY department responsible for providing social and financial services to eligible persons in Los Angeles County.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

- 2.10 DPSS Manager** - DPSS employees who administer various public assistance programs at the level of Division Chief, Human Services Administrator (HSA) III (a.k.a.: District Director/GAIN Regional Administrator), HSA II, HSA I (a.k.a: Deputy District Director), Administrative Services Manager (ASM) III, II and I. This term is included in this contract wherever there is discussion about the population to be trained.
- 2.11 Director** - The Director of the Department of Public Social Services, County of Los Angeles, or authorized representative(s).
- 2.12 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.13 Welfare Fraud Prevention & Investigations Section (WFP&I)** - The Department's section responsible for receiving all the anonymous telephone referrals with allegations of welfare fraud. WFP&I investigative staff handles the investigation of these referrals.

3.0 WORK

- 3.1** Pursuant to the provisions of this Contract, the CONTRACTOR shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in the *Statement of Work, Appendix A*.
- 3.2** If the CONTRACTOR provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the CONTRACTOR, and the CONTRACTOR shall have no claim whatsoever against the COUNTY.

4.0 TERM OF CONTRACT

The term of this Contract shall be three (3) years commencing one day after execution by COUNTY's Board of Supervisors, or March 22, 2006, whichever is later, unless sooner terminated or extended, in whole or in part, as provided in this Contract.



**COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

5.0 CONTRACT SUM

5.1 Maximum Contract Amount

The maximum amount for the three (3) year term of this Contract is \$184,927.
(See Attachment A – Contractor’s Budget)

5.1.1 COUNTY shall pay CONTRACTOR \$61,642.33 per year at the rate of \$5,136.86 per month, which shall be known as the Basic Monthly Charge.

5.1.2 In addition to the amounts described in Section 5.1 and 5.1.1 herein, COUNTY shall pay to CONTRACTOR, upon presentation of an Informant Reward Invoice by Contractor, an unspecified sum not to exceed \$20,000 per year, from a reward fund set up to pay rewards to informants who call CONTRACTOR or COUNTY.

5.2 The CONTRACTOR shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the CONTRACTOR’s duties, responsibilities, or obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the COUNTY’S express prior written approval.

5.3 Prior Six-Month Expiration Notice

Contractor shall notify DPSS when this contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, CONTRACTOR shall send written notification to DPSS - Welfare Fraud Prevention & Investigations at the address provided in paragraph 5.6.4.

5.4 Seventy-five percent (75%) of the total contract authorization

CONTRACTOR shall maintain a system of record keeping that will allow CONTRACTOR to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract. Upon occurrence of this event, CONTRACTOR shall send written notification to DPSS - Welfare Fraud Prevention & Investigations at the address provided in paragraph 5.6.4.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

5.5 No Payment for Services Provided Following Expiration/ Termination of Contract

CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this Contract. Should CONTRACTOR receive any such payment it shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Contract shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Contract.

5.6 Invoices and Payments

5.6.1 The CONTRACTOR shall invoice the COUNTY only for providing the tasks, deliverables, goods, services, and other work specified in *Appendix A - Statement of Work* and elsewhere hereunder. The CONTRACTOR shall prepare invoices, which shall include the charges owed to the CONTRACTOR by the COUNTY under the terms of this Contract. The CONTRACTOR's payments shall be as provided in *Attachment B - Certification of Independent Price Determination*, and the CONTRACTOR shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the COUNTY. If the COUNTY does not approve work in writing no payment shall be due to the CONTRACTOR for that work.

5.6.2 The CONTRACTOR's invoices shall be priced in accordance with *Attachment B - Certification of Independent Price Determination*.

5.6.3 The CONTRACTOR's invoices shall contain the information set forth in *Appendix A - Statement of Work* describing the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed.

5.6.4 All invoices under this Contract shall be submitted in two (2) copies to the following address:



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

**Dennis Veals, Director
Welfare Fraud Prevention & Investigations Section
12000 S. Hawthorne Blvd.
Hawthorne, CA 90250**

5.6.5 COUNTY Approval of Invoices

All invoices submitted by the CONTRACTOR for payment must have the written approval of the COUNTY's Contract Administrator prior to any payment thereof. In no event shall the COUNTY be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld.

5.6.6 Withholding of Payment

If the CONTRACTOR fails to submit accurate, complete, timely and properly certified MMRs, the COUNTY may withhold from payment to CONTRACTOR up to the full amount of any invoice that would otherwise be due, until CONTRACTOR has satisfied the concerns of the COUNTY, which may include required submittal of revised certified monitoring reports or additional supporting documentation.

5.6.7 Payment Processing

Payment to Contractor will be made monthly in arrears in the amounts specified in this Contract, provided that the CONTRACTOR is not in default under any provision of the Contract and has submitted a complete and accurate statement of payment due with documentation attached supporting the statement of payment due.

- .1 CONTRACTOR shall prepare and submit its invoice (COUNTY will provide invoice format sample), each in an original and one copy, along with its Monthly Reports (MR), to the County Contract Administrator (CCA) within fifteen (15) calendar days after the end of the month in which services were provided or payment may be delayed.
- .2 The COUNTY shall review the invoice/attachments and make payment adjustments as allowed by contract and authorize payment of an accurate invoice promptly after receipt of the CONTRACTOR's



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

billing. The COUNTY will make a reasonable effort to effect payment to the CONTRACTOR within thirty (30) days from receipt of an invoice that is accurate as to form and content.

- .3 For invoicing purposes, the CONTRACTOR shall clearly identify this Contract as "Anonymous Fraud Referrals and Reward Services".
- .4 The COUNTY may delay the last payment due hereunder until six (6) months after the termination of the Contract. The CONTRACTOR shall be liable for payment on thirty (30) days written notice of any offset authorized by the Contract not deducted from any payment made by the COUNTY to the CONTRACTOR.
- .5 If this Contract is awarded to a federal, state or local government agency, public university, public college or other public educational institution, Contract payment will be effected using an actual cost method of reimbursement.
- .6 Prior to receiving final payment hereunder, CONTRACTOR shall submit a signed, written release discharging the COUNTY, its officers and employees, from all liabilities, obligations, and claims arising out of or under the Contract, except for any claims specifically described in detail in such release.

6.0 ADMINISTRATION OF CONTRACT - COUNTY COUNTY ADMINISTRATION

6.1 COUNTY's Contract Director

Responsibilities of the COUNTY's Contract Director include:

- ensuring that the objectives of this Contract are met;
- making changes in the terms and conditions of this Contract in accordance with Sub-paragraph 8.6, Change Notices and Amendments; and
- providing direction to CONTRACTOR in the areas relating to COUNTY policy, information requirements, and procedural requirements.

6.2 COUNTY's Contract Administrator

The responsibilities of the COUNTY's Contract Administrator include:

- meeting with CONTRACTOR's Project Manager on a regular basis; and



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of CONTRACTOR.

The COUNTY's Contract Administrator is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate COUNTY in any respect whatsoever.

6.3 COUNTY's Contract Monitor

The COUNTY's Contract Monitor is responsible for overseeing the day-to-day administration of this Contract. The Contract Monitor reports to the COUNTY's Contract Administrator.

7.0 ADMINISTRATION OF CONTRACT – CONTRACTOR

7.1 CONTRACTOR's Contract Manager

7.1.1 CONTRACTOR's Contract Manager is designated in Technical Exhibit 11 - *CONTRACTOR's Administration*. The CONTRACTOR shall notify the COUNTY in writing of any change in the name or address of the CONTRACTOR's Project Manager.

7.1.2 CONTRACTOR's Contract Manager shall be responsible for CONTRACTOR's day-to-day activities as related to this Contract and shall coordinate with COUNTY's Contract Administrator and Contract Monitor on a regular basis.

7.2 Approval of CONTRACTOR's Staff

COUNTY has the absolute right to approve or disapprove all of CONTRACTOR's staff performing work hereunder and any proposed changes in CONTRACTOR's staff, including, but not limited to, CONTRACTOR's Project Manager.

7.3 CONTRACTOR's Staff Identification

7.3.1 CONTRACTOR shall provide all staff assigned to this Contract with a photo identification badge in accordance with COUNTY specifications. Specifications may change at the discretion of the COUNTY and CONTRACTOR will be provided new specifications as required. The format and content of the badge is subject to the COUNTY's approval prior to the CONTRACTOR implementing the use of the badge. CONTRACTOR staff, while on duty or when entering a COUNTY facility



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

or its grounds, shall prominently display the photo identification badge on the upper part of the body.

7.3.2 CONTRACTOR shall notify the COUNTY within one business day when staff is terminated from working on this Contract. CONTRACTOR is responsible to retrieve and immediately destroy the staff's COUNTY photo identification badge at the time of removal from the COUNTY Contract.

7.3.3 If COUNTY requests the removal of CONTRACTOR's staff, CONTRACTOR is responsible to retrieve and immediately destroy the CONTRACTOR's staff's COUNTY photo identification badge at the time of removal from working on the Contract.

7.4 Background and Security Investigations

7.4.1 At any time prior to or during term of this Contract, the COUNTY may require that all CONTRACTOR staff performing work under this Contract undergo and pass, to the satisfaction of COUNTY, a background investigation, as a condition of beginning and continuing to work under this Contract. COUNTY shall use its discretion in determining the method of background clearance to be used, up to and including a COUNTY performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of the CONTRACTOR, regardless if the CONTRACTOR's staff passes or fails the background clearance investigation.

7.4.2 COUNTY may request that CONTRACTOR's staff be immediately removed from working on the COUNTY Contract at any time during the term of the Contract. COUNTY will not provide to CONTRACTOR or to CONTRACTOR's staff any information obtained through the COUNTY conducted background clearance.

7.4.3 COUNTY may immediately deny or terminate facility access to CONTRACTOR's staff who do not pass such investigation(s) to the satisfaction of the COUNTY whose background or conduct is incompatible with COUNTY facility access, at the sole discretion of the COUNTY.



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7.4.4 Disqualification, if any, of CONTRACTOR staff, pursuant to this Subparagraph 7.4, shall not relieve CONTRACTOR of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.5 Confidentiality

The CONTRACTOR shall maintain the confidentiality of all records obtained from the COUNTY under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.

The CONTRACTOR shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract. The CONTRACTOR shall cause each employee performing services covered by this Contract to sign and adhere to the "*Contractor Employee Acknowledgment and Confidentiality Agreement*", Attachment C.



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8.0 STANDARD TERMS AND CONDITIONS

8.1 ASSIGNMENT AND DELEGATION

- 8.1.1 The CONTRACTOR shall not assign its rights or delegate its duties under this Contract, or both, either in whole or in part, without the prior written consent of the COUNTY. Any unapproved assignment or delegation shall be null and void. Any payments by the COUNTY to any approved delegate or assignee on any claim under this Contract shall be deductible, at the COUNTY's sole discretion, against the claims, which the CONTRACTOR may have against the COUNTY.
- 8.1.2 If any assumption, assignment, delegation, or takeover of any of the CONTRACTOR's duties, responsibilities, obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without COUNTY's express prior written approval, may result in the termination of this Contract.

8.2 AUDIT SETTLEMENT

If, at any time during the term of the Contract or within five (5) years after the expiration or termination of the Contract, authorized representatives of COUNTY conduct an audit of CONTRACTOR regarding the services provided to the COUNTY hereunder, and if such audit finds that the COUNTY's dollar liability for such services is less than payments made by COUNTY to the CONTRACTOR, then CONTRACTOR agrees that the difference, at the Director's discretion, shall be either: 1) repaid forthwith by the CONTRACTOR to COUNTY by cash payment, or 2) at the COUNTY's option, credited against any future payments due by the COUNTY, to the CONTRACTOR, whether under this Contract or otherwise. If such audit finds that the COUNTY's dollar liability for services provided hereunder is more than payments made by the COUNTY to the CONTRACTOR, then the difference shall be paid to CONTRACTOR by the COUNTY provided that in no event shall the COUNTY's maximum obligation for this Contract exceed the funds appropriated by COUNTY for the purpose of this Contract.



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8.3 AUTHORIZATION WARRANTY

The CONTRACTOR represents and warrants that the person executing this Contract for the CONTRACTOR is an authorized agent who has actual authority to bind the CONTRACTOR to each and every term, condition, and obligation of this Contract and that all requirements of the CONTRACTOR have been fulfilled to provide such actual authority.

8.4 BUDGET REDUCTIONS

In the event that the COUNTY's Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in the salaries and benefits paid to the majority of COUNTY employees and imposes similar reductions with respect to COUNTY Contracts, the COUNTY reserves the right to reduce its payment obligation correspondingly for that fiscal year and any subsequent fiscal year services provided by the CONTRACTOR under the Contract.

The COUNTY's notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within 30 calendar days of the Board's approval of such actions. The CONTRACTOR shall continue to provide all of the services set forth in the Contract.

8.5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION-LOWER TIER COVERED TRANSACTIONS (45 C.F.R. part 76)

CONTRACTOR hereby acknowledges that the COUNTY is prohibited from contracting with and making sub-awards to parties that are suspended, debarred, ineligible, or excluded or whose principals are suspended, debarred, ineligible, or excluded from securing federally funded contracts. By executing this Contract, CONTRACTOR certifies that neither it nor any of its owners, officers, partners, directors, or other principals is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Further by executing this Contract, CONTRACTOR certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director or other principal of any subcontractors is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. CONTRACTOR shall immediately notify COUNTY in writing, during the term of this Contract, should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. Failure of



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CONTRACTOR to comply with this provision shall constitute a material breach of this Contract upon which the COUNTY may immediately terminate or suspend this Contract.

8.6 CHANGE NOTICES AND AMENDMENTS

8.6.1 The COUNTY reserves the right to initiate Change Notices that **do not affect** the scope, term, Contract Sum or payments. All such changes shall be accomplished with an executed Change Notice signed by the CONTRACTOR and by COUNTY Contract Director.

8.6.2 For any change which affects the scope of work, term, Contract Sum, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the County Board of Supervisors and the Contractor.

8.6.3 The DPSS Director may prepare and sign amendments to the contract without further action by the County Board of Supervisors under the following conditions:

8.6.3.1 Amendments shall be in compliance with applicable County, State and Federal regulation.

8.6.3.2 The amendment is for a decrease in the Contract cost, or the amendment is for an increase of no more than 10% of the total original Contract amount, and is necessitated by additional and necessary services that are required for CONTRACTOR to comply with changes in Federal, State, or COUNTY requirements.

8.6.3.3 The County Board of Supervisors has appropriated sufficient funds in the Department of Public Social Services' (DPSS) Budget.

8.6.3.4 DPSS shall obtain the approval of County Counsel or designee for an amendment to this Contract.



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8.6.3.5 DPSS Director will file a copy of all amendments with the Executive Office of the County Board of Supervisors and Chief Administrative Office with fifteen (15) days after execution of each amendment.

8.7 CHANGE OF ADDRESS

Either party can designate a new address by giving written notice to the other party

8.8 CHILD/ELDER ABUSE/FRAUD REPORTING

CONTRACTOR staff working on this Contract shall comply with *California Penal Code* (hereinafter "*PC*") *Section 11164 et seq.* and shall report all known and suspected instances of child abuse to an appropriate child protective agency, as mandated by these code sections. Child abuse reports shall be made by telephone to the Department of Children and Family Services hotline at (800) 540-4000 within three (3) business days and shall all required information, in accordance with the PC Code Sections 11166 and 11167.

CONTRACTOR staff working on this Contract shall comply with *California Welfare and Institutions Code (WIC), Section 15600 et seq.* and shall report all known or suspected instances of physical abuse of elders and dependent adults either to an appropriate COUNTY adult protective services agency or to a local law enforcement agency, as mandated by these code sections. The CONTRACTOR staff working on this Agreement shall make the report on such abuse, and shall submit all required information, in accordance with the WIC Sections 15630, 15633 and 15633.5.

CONTRACTOR staff working on this Contract shall also immediately report all suspected or actual welfare fraud situations to the COUNTY.

8.9 COLLECTIVE BARGAINING AGREEMENT

To comply with California Department of Social Services Regulations, Section 23-610 (c) (22), the CONTRACTOR agrees to provide to the COUNTY, upon request, a copy of any collective bargaining contract covering employees providing services under the Contract.



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8.10 COMPLAINTS

The CONTRACTOR shall develop, maintain and operate procedures for receiving, investigating and responding to complaints. Within fifteen (15) business days after Contract effective date, the CONTRACTOR shall provide the COUNTY with the CONTRACTOR's policy for receiving, investigating and responding to user complaints.

8.10.1 The COUNTY will review the CONTRACTOR's policy and provide the CONTRACTOR with approval of said plan or with requested changes.

8.10.2 If the COUNTY requests changes in the CONTRACTOR's policy, the CONTRACTOR shall make such changes and resubmit the plan within five (5) business days.

8.10.3 If, at any time, the CONTRACTOR wishes to change the CONTRACTOR's policy, the CONTRACTOR shall submit proposed changes to the COUNTY for approval before implementation.

The CONTRACTOR shall preliminarily investigate all complaints and notify the COUNTY's Project Manager of the status of the investigation within five (5) business days of receiving the complaint. When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines. Copies of all written responses shall be sent to the COUNTY's Project Manager within three (3) business days of mailing to the complainant.

8.11 COMPLETION OF CONTRACT

Sixty (60) calendar days prior to expiration of this Contract (or shorter time period as determined by COUNTY), CONTRACTOR shall allow COUNTY or newly selected CONTRACTOR a transition period for orientation purposes and the orderly transition of CONTRACTOR's current operation without additional costs to COUNTY. CONTRACTOR shall continue to process work timely/accurately so that the operation is current at expiration of Contract.

If CONTRACTOR fails to adhere to the above work and standards, the COUNTY shall have the right to withhold 50% to 100% of the last two (2) months' payments as liquidated damages.



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8.12 COMPLIANCE WITH APPLICABLE LAW

8.12.1 The CONTRACTOR shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.12.2 CONTRACTOR shall indemnify and hold harmless the COUNTY from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the CONTRACTOR or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

8.13 COMPLIANCE WITH CIVIL RIGHTS AND OTHER APPLICABLE LAWS

CONTRACTOR shall abide by the provisions of *Title VI* and *Title VII* of the *Federal Civil Rights Act of 1964*; *Section 504 of the Rehabilitation Act of 1973*, as amended; the *Age Discrimination Act of 1975*; the *Food Stamp Act of 1977*; the *Americans with Disabilities Act of 1990*; WIC Section 10000; California Department of Social Services *Manual of Policies and Procedures, Division 21*; and other applicable Federal and State laws, rules and regulations to ensure that employment practices and the delivery of social service programs are nondiscriminatory. Under this requirement, CONTRACTOR shall not discriminate on the basis of race, color, national origin, ancestry, political affiliation, religion, marital status, sex, age or disability. The CONTRACTOR shall sign and adhere to Attachment F, CONTRACTOR's EEO Certification and Attachment G, CONTRACTOR's Nondiscrimination in Services Certification."

In addition, a Resolution Agreement between the Department of Public Social Services (DPSS) and the Federal Office for Civil Rights, Department of Health and Human Services, that was signed on October 23, 2003, requires additional Civil Rights actions by DPSS in providing services to the public through contracts for all CalWORKs/TANF funded contracts and MOUs. CONTRACTOR shall comply with the terms of the Resolution Agreement as set forth in Attachment I (herein) and as directed by DPSS.

CONTRACTOR shall abide by section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738 and



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Environmental Protection Agency regulations (40 CFR Part 15). CONTRACTOR shall also abide by the mandatory standards and policies relating to energy efficiency in the state energy conservation plan, Title 24, California Administrative Code).

8.14 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.14.1 Jury Service Program:

This Contract is subject to the provisions of the COUNTY's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Appendix E and incorporated by reference into and made a part of this Contract.

8.14.2 Written Employee Jury Service Policy.

1. Unless CONTRACTOR has demonstrated to the COUNTY's satisfaction either that CONTRACTOR is not a "CONTRACTOR" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that CONTRACTOR qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), CONTRACTOR shall have and adhere to a written policy that provides that its Employees shall receive from the CONTRACTOR, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the CONTRACTOR or that the CONTRACTOR deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Sub-paragraph, "CONTRACTOR" means a person, partnership, corporation or other entity which has a contract with the COUNTY or a subcontract with a COUNTY CONTRACTOR and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more COUNTY contracts or subcontracts. "Employee" means any California resident who is a full time employee of CONTRACTOR. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the COUNTY, or 2) CONTRACTOR has a long-standing practice that



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defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If CONTRACTOR uses any subcontractor to perform services for the COUNTY under the Contract, the subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If CONTRACTOR is not required to comply with the Jury Service Program when the Contract commences, CONTRACTOR shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and CONTRACTOR shall immediately notify COUNTY if CONTRACTOR at any time either comes within the Jury Service Program's definition of "CONTRACTOR" or if CONTRACTOR no longer qualifies for an exception to the Jury Service Program. In either event, CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. The COUNTY may also require, at any time during the Contract and at its sole discretion, that CONTRACTOR demonstrate to the COUNTY's satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "CONTRACTOR" and/or that CONTRACTOR continues to qualify for an exception to the Program.
4. CONTRACTOR's violation of this Sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate the Contract and/or bar CONTRACTOR from the award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.

8.15 COMPLIANCE WITH WAGE AND HOUR LAWS/FAIR LABOR STANDARDS ACT

The CONTRACTOR shall comply with all wages and hour laws and all applicable provisions of the Federal *Fair Labor Standards Act*, and shall indemnify, defend,



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and hold harmless the COUNTY, its agents, officers and employees from any and all liability including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorney fees arising under any wage and hour law including, but not limited to, the Federal *Fair Labor Standards Act* for services performed by the CONTRACTOR's employees for which the COUNTY may be found jointly or solely liable.

8.16 CONFLICT OF INTEREST

8.16.1 No COUNTY employee whose position with the COUNTY enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the CONTRACTOR or have any other direct or indirect financial interest in this Contract. No officer or employee of the CONTRACTOR who may financially benefit from the performance of work hereunder shall in any way participate in the COUNTY's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the COUNTY's approval or ongoing evaluation of such work.

8.16.2 The CONTRACTOR shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The CONTRACTOR warrants that it is not now aware of any facts that create a conflict of interest. If the CONTRACTOR hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the COUNTY.

Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Sub-paragraph shall be a material breach of this Contract.

8.17 CONFIDENTIALITY

The CONTRACTOR shall maintain the confidentiality of all records obtained from the COUNTY under the Contract in accordance with all applicable Federal, State or local laws, ordinances, regulations and directives relating to confidentiality. The CONTRACTOR shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of the Contract. The CONTRACTOR shall cause each employee performing services covered by the Contract to sign and adhere to the "Contractor Employee



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Acknowledgment and Confidentiality Agreement”, Attachment C, hereunder. By State law, including without limitation (W & I Code, Section 10850 et seq. and 17006), all of the case records and information pertaining to individuals receiving aid or confidential and no information related to any individual case or cases is to be in any way relayed to anyone except those employees of the Los Angeles County Department of Public Social Services (DPSS) so designated without written authorization from DPSS.

8.18 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST

Should the CONTRACTOR require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the CONTRACTOR shall give **first consideration** for such employment openings to qualified, permanent COUNTY employees who are targeted for layoff or qualified, former COUNTY employees who are on a re-employment list during the life of this Contract.

8.19 CONTRACTOR RESPONSIBILITY AND DEBARMENT

- A. A responsible CONTRACTOR is a CONTRACTOR who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the COUNTY's policy to conduct business only with responsible CONTRACTORS. (Appendix G)
- B. The CONTRACTOR is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the COUNTY acquires information concerning the performance of the CONTRACTOR on this or other contracts which indicates that the CONTRACTOR is not responsible, the COUNTY may, in addition to other remedies provided in the Contract, debar the CONTRACTOR from bidding or proposing on, or being awarded, and/or performing work on COUNTY contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the CONTRACTOR may have with the COUNTY.



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- C. The COUNTY may debar a CONTRACTOR if the Board of Supervisors finds, in its discretion, that the CONTRACTOR has done any of the following: (1) violated a term of a contract with the COUNTY or a nonprofit corporation created by the COUNTY, (2) committed an act or omission which negatively reflects on the CONTRACTOR's quality, fitness or capacity to perform a contract with the COUNTY, any other public entity, or a nonprofit corporation created by the COUNTY, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the COUNTY or any other public entity.

- D. If there is evidence that the CONTRACTOR may be subject to debarment, the Department will notify the CONTRACTOR in writing of the evidence which is the basis for the proposed debarment and will advise the CONTRACTOR of the scheduled date for a debarment hearing before the CONTRACTOR Hearing Board.

- E. The CONTRACTOR Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The CONTRACTOR and/or the CONTRACTOR's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the CONTRACTOR Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the CONTRACTOR should be debarred, and, if so, the appropriate length of time of the debarment. The CONTRACTOR and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the CONTRACTOR Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the CONTRACTOR Hearing Board.



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- G. If a CONTRACTOR has been debarred for a period longer than five (5) years, that CONTRACTOR may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The COUNTY may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the CONTRACTOR has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the COUNTY.
- H. The CONTRACTOR Hearing Board will consider a request for review of a debarment determination only where (1) the CONTRACTOR has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the CONTRACTOR Hearing Board will provide notice of the hearing on the request. At the hearing, the CONTRACTOR Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the CONTRACTOR Hearing Board pursuant to the same procedures as for a debarment hearing.

The CONTRACTOR Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The CONTRACTOR Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the CONTRACTOR Hearing Board.

- I. These terms shall also apply to subcontractor/subconsultants of County Contractors.



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8.20 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

CONTRACTOR acknowledges that COUNTY places a high priority on the enforcement of child support laws and the apprehension of child support evaders. CONTRACTOR understands that it is COUNTY's policy to encourage all COUNTY CONTRACTORS to voluntarily post COUNTY's *L.A's Most Wanted: Delinquent Parents* poster in a prominent position at CONTRACTOR's place of business. COUNTY's Child Support Services Department will supply CONTRACTOR with the poster to be used.

8.21 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The CONTRACTOR acknowledges that the COUNTY places a high priority on the implementation of the Safely Surrendered Baby Law. The CONTRACTOR understands that it is the COUNTY's policy to encourage all COUNTY CONTRACTORS to voluntarily post the COUNTY's "Safely Surrendered Baby Law" poster in a prominent position at the CONTRACTOR's place of business. The CONTRACTOR will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The COUNTY's Department of Children and Family Services will supply the CONTRACTOR with the poster to be used.

8.22 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE

The Supervision of Trustee and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions (Appendix I). The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring CONTRACTORS to complete the certification in Attachment J, the COUNTY seeks to ensure that all COUNTY CONTRACTORS which receive or raise charitable contributions comply with the California law in order to protect the COUNTY and its taxpayers. A CONTRACTOR which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202).

8.23 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.23.1 The CONTRACTOR acknowledges that the COUNTY has established a goal of ensuring that all individuals who benefit financially from the



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COUNTY through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the COUNTY and its taxpayers.

8.23.2 As required by the COUNTY's Child Support Compliance Program (COUNTY Code Chapter 2.200) and without limiting the CONTRACTOR's duty under this Contract to comply with all applicable provisions of law, the CONTRACTOR warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.24 COUNTY'S QUALITY ASSURANCE PLAN

The COUNTY or its agent will evaluate the CONTRACTOR's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the CONTRACTOR's compliance with all Contract terms and conditions and performance standards. CONTRACTOR deficiencies which the COUNTY determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the COUNTY and the CONTRACTOR. If improvement does not occur consistent with the corrective action measures, the COUNTY may terminate this Contract or impose other penalties as specified in this Contract.

8.25 COVENANT AGAINST FEES

CONTRACTOR warrants and represents that no person or selling agency has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained or employed by the CONTRACTOR for the purpose of securing business. For breach or violation of this warranty, the COUNTY shall



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have the right to terminate this Contract and recover the full amount of such commission, percentage, brokerage or contingent fee.

8.26 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

8.26.1 CONTRACTOR shall repair, or cause to be repaired, at its own cost, any and all damage to COUNTY facilities, buildings, or grounds caused by CONTRACTOR or employees or agents of CONTRACTOR. Such repairs shall be made immediately after CONTRACTOR has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.26.2 If CONTRACTOR fails to make timely repairs, COUNTY may make any necessary repairs. All costs incurred by COUNTY, as determined by COUNTY, for such repairs shall be repaid by CONTRACTOR by cash payment upon demand.

8.27 DISCLOSURE OF INFORMATION

CONTRACTOR shall not disclose any details in connection with this Contract to any party, except as may be otherwise provided herein or required by law. However, in recognizing the CONTRACTOR's need to identify its services and related clients to sustain itself, COUNTY will not inhibit the CONTRACTOR from publicizing its role under the Contract within the following conditions:

CONTRACTOR shall develop all publicity material in a professional manner.

During the course of performance on this Contract, the CONTRACTOR, its employees, agents, and subcontractors shall not publish or disseminate commercial advertisements, press releases, opinions or feature articles, or other materials, using the name of the COUNTY without the prior written consent of the Director. In no event shall the CONTRACTOR use any material which identifies any individual by name or picture as an applicant for or participant of services provided by DPSS.

CONTRACTOR may, without prior written permission of the COUNTY, indicate in its proposals and sales materials that it has been awarded this contract with the County of Los Angeles, provided, however, that the requirements of this Section 8.27 shall apply.



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8.28 EMPLOYEE SAFETY

The CONTRACTOR will assure that the CONTRACTOR's employees:

- 1 Are covered by an effective Injury and Illness Prevention Program.
- 2 Receive all required general and specific training on employee safety.

8.29 EMPLOYMENT ELIGIBILITY VERIFICATION

The CONTRACTOR warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The CONTRACTOR shall retain all such documentation for all covered employees for the period prescribed by law.

The CONTRACTOR shall indemnify, defend, and hold harmless, the COUNTY, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the CONTRACTOR or the COUNTY or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.30 FACSIMILE REPRESENTATIONS

The COUNTY and the CONTRACTOR hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Change Notices and Amendments prepared pursuant to Sub-paragraph 8.6, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices and Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.



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8.31 FAIR LABOR STANDARDS

The CONTRACTOR shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the COUNTY and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the CONTRACTOR's employees for which the COUNTY may be found jointly or solely liable.

8.32 FORCE MAJEURE

In the event that performance by either party is rendered impossible (permanently or temporarily) by governmental restrictions, regulation or controls or other causes beyond the reasonable control of such party, said event shall excuse performance by such party, or in the case of temporary impossibility, shall excuse performance only for a period commensurate with the period of impossibility. Notwithstanding the foregoing, the COUNTY shall have the right to terminate this Contract upon any event that renders performance impossible. In such case, COUNTY shall be responsible for payment of all expenses incurred to the point at which this Contract is terminated

8.33 GOVERNING LAW, JURISDICTION, AND VENUE

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The CONTRACTOR agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.34 GOVERNMENT OBSERVATIONS

Federal, State, COUNTY and/or research personnel, in addition to departmental contracting staff, may observe performance, activities, or review documents required under this Contract at any time during normal working hours. However, these personnel may not unreasonably interfere with the CONTRACTOR performance

8.35 INDEPENDENT CONTRACTOR STATUS

8.35.1 This Contract is by and between the COUNTY and the CONTRACTOR and is not intended, and shall not be construed, to create the relationship



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of agent, servant, employee, partnership, joint venture, or association, as between the COUNTY and the CONTRACTOR. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.35.2 The CONTRACTOR shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The COUNTY shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the CONTRACTOR.

8.35.3 The CONTRACTOR understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the CONTRACTOR and not employees of the COUNTY. The CONTRACTOR shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the CONTRACTOR pursuant to this Contract.

8.35.4 As previously instructed in Sub-paragraph 7.5 - Confidentiality, the CONTRACTOR shall cause each employee performing services covered by this Contract to sign and adhere to the "*Contractor Employee Acknowledgment and Confidentiality Agreement*", Attachment C.

8.36 INDEMNIFICATION

The CONTRACTOR shall indemnify, defend and hold harmless the COUNTY, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the CONTRACTOR's acts and/or omissions arising from and/or relating to this Contract.

8.37 GENERAL INSURANCE REQUIREMENTS

Without limiting the CONTRACTOR's indemnification of the COUNTY and during the term of this Contract, the CONTRACTOR shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of



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insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the COUNTY. Such coverage shall be provided and maintained at the CONTRACTOR's own expense.

8.37.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to the COUNTY shall be delivered to:

**Dennis Veals, Director
Welfare Fraud Prevention & Investigations Section
12000 S. Hawthorne Blvd.
Hawthorne, CA 90250**

prior to commencing services under this Contract. Such certificates or other evidence shall:

- Specifically identify this Contract;
- Clearly evidence all coverages required in this Contract;
- Contain the express condition that the COUNTY is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insured for all activities arising from this Contract; and
- Identify any deductibles or self-insured retentions for the COUNTY's approval. The COUNTY retains the right to require the CONTRACTOR to reduce or eliminate such deductibles or self-insured retentions as they apply to the COUNTY, or, require the CONTRACTOR to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.37.2 Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to the COUNTY with an A.M. Best rating of not less than A:VII unless otherwise approved by the COUNTY.



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8.37.3 Failure to Maintain Coverage: Failure by the CONTRACTOR to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the COUNTY, shall constitute a material breach of the Contract upon which the COUNTY may immediately terminate or suspend this Contract. The COUNTY, at its sole option, may obtain damages from the CONTRACTOR resulting from said breach. Alternatively, the COUNTY may purchase such required insurance coverage, and without further notice to the CONTRACTOR, the COUNTY may deduct from sums due to the CONTRACTOR any premium costs advanced by the COUNTY for such insurance.

8.37.4 Notification of Incidents, Claims or Suits: CONTRACTOR shall report to the COUNTY:

- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the CONTRACTOR and/or the COUNTY. Such report shall be made in writing within 24 hours of occurrence.
- Any third party claim or lawsuit filed against the CONTRACTOR arising from or related to services performed by the CONTRACTOR under this Contract.
- Any injury to a CONTRACTOR employee that occurs on COUNTY property. This report shall be submitted on a COUNTY "Non-employee Injury Report" to the COUNTY Contract Manager.
- Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of COUNTY property, monies or securities entrusted to the CONTRACTOR under the terms of this Contract.

8.37.5 Compensation for COUNTY Costs: In the event that the CONTRACTOR fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the COUNTY, the CONTRACTOR shall pay full compensation for all costs incurred by the COUNTY.

8.37.6 Insurance Coverage Requirements for Subcontractors: The CONTRACTOR shall ensure any and all subcontractors performing



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services under this Contract meet the insurance requirements of this Contract by either:

- The CONTRACTOR providing evidence of insurance covering the activities of subcontractors, or
- The CONTRACTOR providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. The COUNTY retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

8.38 INSURANCE COVERAGE REQUIREMENTS

8.38.1 General Liability insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

8.38.2 Automobile Liability written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

8.38.3 Workers' Compensation and Employers' Liability insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the CONTRACTOR is responsible. If the CONTRACTOR's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the CONTRACTOR is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million



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8.38.4 Crime Coverage insurance with limits in amounts not less than indicated below covering against loss of money, securities, or other property referred to in this Agreement, naming the COUNTY as loss payee.

Employee Dishonesty	\$10,000
Theft, Disappearance and Destruction:	\$10,000

8.39 LIQUIDATED DAMAGES

8.39.1 If, in the judgment of the Department Head, the CONTRACTOR is deemed to be non-compliant with the terms and obligations assumed hereby, the Department Head, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the CONTRACTOR's invoice for work not performed. The work not performed and the amount to be withheld or deducted from payments to the CONTRACTOR from the COUNTY, will be forwarded to the CONTRACTOR by the Department Head, or his/her designee, in a written notice describing the reasons for said action.

8.39.2 If the Department Head determines that there are deficiencies in the performance of this Contract that the Department Head deems are correctable by the CONTRACTOR over a certain time span, the Department Head will provide a written notice to the CONTRACTOR to correct the deficiency within specified time frames. Should the CONTRACTOR fail to correct deficiencies within said time frame, the Department Head may:

- (a) Deduct from the CONTRACTOR's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or
- (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the CONTRACTOR to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the *Performance Requirements Summary (PRS) Chart*, as defined in *Appendix B, Technical Exhibit 2*, hereunder, and that the CONTRACTOR shall be liable to the COUNTY for liquidated damages in said amount. Said amount shall be deducted from the COUNTY's payment to the CONTRACTOR; and/or



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- (c) Upon giving five (5) days notice to the CONTRACTOR for failure to correct the deficiencies, the COUNTY may correct any and all deficiencies and the total costs incurred by the COUNTY for completion of the work by an alternate source, whether it be COUNTY forces or separate private CONTRACTOR, will be deducted and forfeited from the payment to the CONTRACTOR from the COUNTY, as determined by the COUNTY.

8.39.3 The action noted in Sub-paragraph 8.39.2 shall not be construed as a penalty, but as adjustment of payment to the CONTRACTOR to recover the COUNTY cost due to the failure of the CONTRACTOR to complete or comply with the provisions of this Contract.

8.39.4 This Sub-paragraph shall not, in any manner, restrict or limit the COUNTY's right to damages for any breach of this Contract provided by law or as specified in the PRS or Sub-paragraph 8.39.2, and shall not, in any manner, restrict or limit the COUNTY's right to terminate this Contract as agreed to herein.

8.40 LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM

This Contract is subject to the provisions of the COUNTY's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code. CONTRACTOR shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining, or attempting to obtain certification as a Local Small Business Enterprise. CONTRACTOR shall not willfully and knowingly made a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a COUNTY official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

If CONTRACTOR has obtained COUNTY certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, shall:



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- a. Pay to the COUNTY any difference between the Contract amount and what the COUNTY's costs would have been if the Contract had been properly awarded;
- b. In addition to the amount described in paragraph 1 above, be assessed a penalty in an amount of not more than 10 percent of the amount of the Contract; and
- c. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of CONTRACTOR Non-Responsibility and CONTRACTOR Debarment).

The above penalties shall also apply if CONTRACTOR is no longer eligible for certification as a result in a change of their status and CONTRACTOR failed to notify the State and the COUNTY's Office of Affirmative Action Compliance of this information.

8.41 MOST FAVORED PUBLIC ENTITY

If the CONTRACTOR's prices decline, or should the CONTRACTOR at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the COUNTY.

8.42 NONDISCRIMINATION AND AFFIRMATIVE ACTION

8.42.1 The CONTRACTOR certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

8.42.2 The CONTRACTOR shall certify to, and comply with, the provisions of *Attachment F - Contractor's EEO Certification*.

8.42.3 The CONTRACTOR shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical



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or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

- 8.42.4 The CONTRACTOR certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental disability, marital status, or political affiliation.
- 8.42.5 The CONTRACTOR certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.42.6 The CONTRACTOR shall allow COUNTY representatives access to the CONTRACTOR's employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.42 when so requested by the COUNTY.
- 8.42.7 If the COUNTY finds that any provisions of this Sub-paragraph 8.41 have been violated, such violation shall constitute a material breach of this Contract upon which the COUNTY may terminate or suspend this Contract. While the COUNTY reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the CONTRACTOR has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the COUNTY that the CONTRACTOR has violated the anti-discrimination provisions of this Contract.



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8.42.8 The parties agree that in the event the CONTRACTOR violates any of the anti-discrimination provisions of this Contract, the COUNTY shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.43 NONEXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with CONTRACTOR. This Contract shall not restrict DPSS from acquiring similar, equal or like goods and/or services from other entities or sources.

8.44 NOTICE OF DELAYS

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.45 NOTICE OF DISPUTES

The CONTRACTOR shall bring to the attention of the COUNTY Contract Administrator and/or COUNTY Contract Director any dispute between the COUNTY and the CONTRACTOR regarding the performance of services as stated in this Contract. If the COUNTY Contract Administrator or COUNTY Contract Director is not able to resolve the dispute, the DPSS Director, or designee shall resolve it.

8.46 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The CONTRACTOR shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015 (Appendix I).

8.47 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The CONTRACTOR shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and



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where and how to safely surrender a baby. The fact sheet is set forth in Appendix J of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

8.48 NOTICES

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, by depositing such envelope in the United States Post Office or substation thereof, or any public mail box. Notices to CONTRACTOR shall be addressed to the CONTRACTOR at its place of business, as stated in *Technical Exhibit 11 - Contractor's Administration*. Notices to COUNTY shall be addressed to:

**Dennis Veals, Director
Welfare Fraud Prevention & Investigations Section
12000 S Hawthorne Blvd.
Hawthorne, CA 90250**

Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The DPSS Director shall have the authority to issue all notices or demands required or permitted by the COUNTY under this Contract.

8.49 OWNERSHIP OF DATA/EQUIPMENT

- 1 The COUNTY shall be sole owner of all rights, titles and interests in any and all materials, software, software documentation, software tools, techniques, plans, reports, data and information which have been prepared, developed or maintained by CONTRACTOR pursuant to this Contract.
- 2 COUNTY shall be sole owner of any equipment, including but not limited to, all computer hardware and software purchased under this Contract by CONTRACTOR or by COUNTY, which CONTRACTOR will use to fulfill its responsibilities pursuant to this Contract.

8.50 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the CONTRACTOR and the COUNTY agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to



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become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.51 PROPRIETARY RIGHTS

All materials, data and other information of any kind obtained from COUNTY and all materials, data, reports and other information of any kind developed by CONTRACTOR under this Contract are confidential to and are solely the property of COUNTY. CONTRACTOR shall take all necessary measures to protect the security and confidentiality of all such materials, data, reports and information. The provisions of this Paragraph 8.51, shall survive the expiration or other termination of this Contract.

- 1 Recognizing that COUNTY has no way to safeguard trade secrets or proprietary information, CONTRACTOR shall, and does, hereby keep and hold COUNTY harmless from all damages, costs, and expenses by reason of any disclosure by COUNTY of trade secrets and proprietary information. COUNTY shall not require CONTRACTOR to provide any technical information that is proprietary to it, except as is requested by COUNTY to successfully complete the services under the Contract.
- 2 COUNTY shall not require CONTRACTOR to provide any information that is proprietary to it; provided, however, that if COUNTY requests CONTRACTOR proprietary information in order to successfully complete the services under this Contract, CONTRACTOR shall mark such information "PROPRIETARY" and COUNTY shall limit reproduction and distribution to the minimum extent consistent with COUNTY's need for such information, and, when COUNTY no longer needs such information, but in no event later than expiration or other termination of this Contract, COUNTY shall either (1) cause all copies of such information to be returned to CONTRACTOR, or (2) certify to CONTRACTOR that all copies of such information have been destroyed.

8.52 PUBLIC RECORDS ACT

- 8.52.1 Any documents submitted by CONTRACTOR; all information obtained in connection with the COUNTY's right to audit and inspect CONTRACTOR's documents, books, and accounting records pursuant to Sub-paragraph 8.54 - Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation



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process for this Contract, become the exclusive property of the COUNTY. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The COUNTY shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

- 8.52.2 In the event the COUNTY is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the CONTRACTOR agrees to defend and indemnify the COUNTY from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

8.53 PUBLICITY

- 8.53.1 The CONTRACTOR shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the CONTRACTOR's need to identify its services and related clients to sustain itself, the COUNTY shall not inhibit the CONTRACTOR from publishing its role under this Contract within the following conditions:

- The CONTRACTOR shall develop all publicity material in a professional manner; and
- During the term of this Contract, the CONTRACTOR shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the COUNTY without the prior written consent of the COUNTY's Project Director. The COUNTY shall not unreasonably withhold written consent.

- 8.53.2 The CONTRACTOR may, without the prior written consent of COUNTY, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Sub-paragraph 8.53 shall apply.



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8.54 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The CONTRACTOR shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The CONTRACTOR shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The CONTRACTOR agrees that the COUNTY, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Contract. All such material, including, but not limited to, all financial records, timecards and other employment records, and proprietary data and information, shall be kept and maintained by the CONTRACTOR and shall be made available to the COUNTY during the term of this Contract and for a period of five (5) years thereafter unless the COUNTY's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the CONTRACTOR at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the COUNTY's option, the CONTRACTOR shall pay the COUNTY for travel, per diem, and other costs incurred by the COUNTY to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 8.54.1 In the event that an audit of the CONTRACTOR is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the CONTRACTOR or otherwise, then the CONTRACTOR shall file a copy of such audit report with the COUNTY's Auditor-Controller within thirty (30) days of the CONTRACTOR's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. The COUNTY shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.54.2 Failure on the part of the CONTRACTOR to comply with any of the provisions of this Sub-paragraph 8.54 shall constitute a material breach of this Contract upon which the COUNTY may terminate or suspend this Contract.
- 8.54.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the COUNTY may conduct an audit of the CONTRACTOR regarding the work performed under this Contract, and if such audit finds that the COUNTY's



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dollar liability for any such work is less than payments made by the COUNTY to the CONTRACTOR, then the difference shall be either: a) repaid by the CONTRACTOR to the COUNTY by cash payment upon demand or b) at the sole option of the COUNTY's Auditor-Controller, deducted from any amounts due to the CONTRACTOR from the COUNTY, whether under this Contract or otherwise. If such audit finds that the COUNTY's dollar liability for such work is more than the payments made by the COUNTY to the CONTRACTOR, then the difference shall be paid to the CONTRACTOR by the COUNTY by cash payment, provided that in no event shall the COUNTY's maximum obligation for this Contract exceed the funds appropriated by the COUNTY for the purpose of this Contract.

8.55 RECYCLED BOND PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the COUNTY landfills, the CONTRACTOR agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.56 REMOVAL OF UNSATISFACTORY PERSONNEL

The COUNTY shall have the right, at its sole discretion to require the CONTRACTOR to remove any employee from the performance of services under this Contract for unsatisfactory performance or any other job-related cause. At the request of the COUNTY, the CONTRACTOR shall immediately replace said personnel.

8.57 RULES AND REGULATIONS

During the time that the CONTRACTOR's employees or agents are at the COUNTY facilities or off-site work locations, such persons shall be subject to the rules and regulations of the COUNTY facilities. It is the responsibility of the CONTRACTOR to acquaint such persons who are to provide services hereunder with such rules and regulations.

8.58 SUBCONTRACTING

8.58.1 The requirements of this Contract may not be subcontracted by the CONTRACTOR **without the advance approval of the COUNTY**. Any attempt by the CONTRACTOR to subcontract without the prior consent of the COUNTY may be deemed a material breach of this Contract.



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- 8.58.2 If the CONTRACTOR desires to subcontract, the CONTRACTOR shall provide the following information promptly at the COUNTY's request:
- A description of the work to be performed by the subcontractor;
 - A draft copy of the proposed subcontract; and
 - Other pertinent information and/or certifications requested by the COUNTY.
- 8.58.3 The CONTRACTOR shall indemnify and hold the COUNTY harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were CONTRACTOR employees.
- 8.58.4 The CONTRACTOR shall remain fully responsible for all performances required of it under this Contract, including those that the CONTRACTOR has determined to subcontract, notwithstanding the COUNTY's approval of the CONTRACTOR's proposed subcontract.
- 8.58.5 The COUNTY's consent to subcontract shall not waive the COUNTY's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The CONTRACTOR is responsible to notify its subcontractors of this COUNTY right.
- 8.58.6 The COUNTY's Project Director is authorized to act for and on behalf of the COUNTY with respect to approval of any subcontract and subcontractor employees.
- 8.58.7 The CONTRACTOR shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the COUNTY's consent to subcontract.
- 8.58.8 The CONTRACTOR shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the COUNTY from each approved subcontractor. The CONTRACTOR shall ensure delivery of all such documents to:

**Dennis Veals, Director
Welfare Fraud Prevention & Investigations Section
12000 S. Hawthorne Blvd.
Hawthorne, CA 90250**



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before any subcontractor employee may perform any work hereunder.

8.59 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the CONTRACTOR to maintain compliance with the requirements set forth in Sub-paragraph 8.23 - CONTRACTOR's Warranty of Adherence to COUNTY's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the COUNTY under any other provision of this Contract, failure of CONTRACTOR to cure such default within ninety (90) calendar days of within notice shall be grounds upon which the COUNTY may terminate this Contract pursuant to Sub-paragraph 8.61 - Termination for Default and pursue debarment of CONTRACTOR, pursuant to COUNTY Code Chapter 2.202.

8.60 TERMINATION FOR CONVENIENCE

8.60.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the COUNTY, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.60.2 After receipt of a notice of termination and except as otherwise directed by the COUNTY, the CONTRACTOR shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.60.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the CONTRACTOR under this Contract shall be maintained by the CONTRACTOR in accordance with Sub-paragraph 8.54, Record Retention & Inspection/Audit Settlement.



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8.61 TERMINATION FOR DEFAULT

8.61.1 The COUNTY may, by written notice to the CONTRACTOR, terminate the whole or any part of this Contract, if, in the judgment of COUNTY's Project Director:

- CONTRACTOR has materially breached this Contract;
- CONTRACTOR fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- CONTRACTOR fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the COUNTY may authorize in writing) after receipt of written notice from the COUNTY specifying such failure.

8.61.2 In the event that the COUNTY terminates this Contract in whole or in part as provided in Sub-paragraph 8.61.1, the COUNTY may procure, upon such terms and in such manner as the COUNTY may deem appropriate, goods and services similar to those so terminated. The CONTRACTOR shall be liable to the COUNTY for any and all excess costs incurred by the COUNTY, as determined by the COUNTY, for such similar goods and services. The CONTRACTOR shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.

8.61.3 Except with respect to defaults of any subcontractor, the CONTRACTOR shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.61.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the CONTRACTOR. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the COUNTY in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the CONTRACTOR. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of



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causes beyond the control of both the CONTRACTOR and subcontractor, and without the fault or negligence of either of them, the CONTRACTOR shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the CONTRACTOR to meet the required performance schedule. As used in this Sub-paragraph 8.61.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

- 8.61.4 If, after the COUNTY has given notice of termination under the provisions of this Sub-paragraph 8.61, it is determined by the COUNTY that the CONTRACTOR was not in default under the provisions of this Sub-paragraph 8.61, or that the default was excusable under the provisions of Sub-paragraph 8.61.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 8.60 - Termination for Convenience.
- 8.61.5 In the event the COUNTY terminates this Contract in its entirety due to the CONTRACTOR's default as provided in Sub-paragraph 8.61.1, the CONTRACTOR and the COUNTY agree that the COUNTY will have actual damages, which are extremely difficult to calculate and impracticable to fix and which will include, but are not limited to, the COUNTY's costs of procurement of replacement services and costs incurred due to delays in procuring such services. Therefore, the CONTRACTOR and the COUNTY agree that the COUNTY shall, at its sole option and in lieu of the provisions of Sub-paragraph 8.61.2, be entitled to liquidated damages from the CONTRACTOR, pursuant to California Civil Code Section 1671, in the amount of Five Thousand Dollars (\$5,000) or five percent (5%) of the applicable year's Contract sum, whichever is less, as equitable compensation to the COUNTY for such actual damages. This amount of liquidated damages shall be either paid by the CONTRACTOR to the COUNTY by cash payment upon demand or, at the sole discretion of the DPSS Director or designee, deducted from any amounts due to the CONTRACTOR by the COUNTY, whether under this Contract or otherwise.

These liquidated damages shall be in addition to any credits, which the COUNTY is otherwise entitled to under this Contract, and the



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CONTRACTOR's payment of these liquidated damages shall not in any way change, or affect the provisions of Sub-paragraph 8.36 - Indemnification.

- 8.61.6 The rights and remedies of the COUNTY provided in this Sub-paragraph 8.61 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.62 TERMINATION FOR IMPROPER CONSIDERATION

- 8.62.1 The COUNTY may, by written notice to the CONTRACTOR, immediately terminate the right of the CONTRACTOR to proceed under this Contract if it is found that consideration, in any form, was offered or given by the CONTRACTOR, either directly or through an intermediary, to any COUNTY officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the CONTRACTOR's performance pursuant to this Contract. In the event of such termination, the COUNTY shall be entitled to pursue the same remedies against the CONTRACTOR as it could pursue in the event of default by the CONTRACTOR.
- 8.62.2 The CONTRACTOR shall immediately report any attempt by a COUNTY officer or employee to solicit such improper consideration. The report shall be made either to the COUNTY manager charged with the supervision of the employee or to the COUNTY Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 8.62.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.63 TERMINATION FOR INSOLVENCY

- 8.63.1 The COUNTY may terminate this Contract forthwith in the event of the occurrence of any of the following:
- Insolvency of the CONTRACTOR. The CONTRACTOR shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed



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under the Federal Bankruptcy Code and whether or not the CONTRACTOR is insolvent within the meaning of the Federal Bankruptcy Code;

- The filing of a voluntary or involuntary petition regarding the CONTRACTOR under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the CONTRACTOR; or
- The execution by the CONTRACTOR of a general assignment for the benefit of creditors.

8.63.2 The rights and remedies of the COUNTY provided in this Sub-paragraph 8.63 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.64 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

The CONTRACTOR, and each COUNTY Lobbyist or COUNTY Lobbying firm as defined in County Code Section 2.160.010 retained by the CONTRACTOR, shall fully comply with the COUNTY's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the CONTRACTOR or any COUNTY Lobbyist or COUNTY Lobbying firm retained by the CONTRACTOR to fully comply with the COUNTY's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the COUNTY may in its sole discretion, immediately terminate or suspend this Contract.

8.65 TERMINATION FOR NON-APPROPRIATION OF FUNDS

The COUNTY's obligation is payable only from funds appropriated for the purpose of this Contract. All funds for payment after the end of the current Fiscal Year are subject to Federal, State or COUNTY's legislative appropriation for this purpose. In the event this Contract extends into succeeding Fiscal Year periods and the Board of Supervisors or the State or federal Legislature does not allocate sufficient funds for the next succeeding Fiscal Year payments, services shall automatically be terminated as of the end on the then current Fiscal Year.

The COUNTY shall make a good faith effort to notify the CONTRACTOR, in writing, of such non-appropriation at the earliest time.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

8.66 TIMELY COMPLETION

Time is of the essence in the provision and completion of the work provided to COUNTY as stipulated in this Contract, as is the timely conveyance of reporting deliverables to COUNTY, as also stipulated in this Contract.

8.67 VALIDITY

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.68 VERBAL DISCUSSIONS

The Contract Manager, or alternate, designated in writing to act in the CONTRACTOR's behalf, shall be available to respond to the COUNTY's verbal inquiries within twenty-four (24) hours.

8.69 WAIVER

No waiver by the COUNTY of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the COUNTY to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Sub-paragraph 8.69 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.70 WARRANTY AGAINST CONTINGENT FEES

8.70.1 The CONTRACTOR warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the CONTRACTOR for the purpose of securing business.

8.70.2 For breach of this warranty, the COUNTY shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.



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IN WITNESS WHEREOF, CONTRACTOR has executed the Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, on this _____, day of _____, 2006.

CONTRACTOR: **WeTip, Inc.**

By Susan Aguilera
Name

Chief Executive Officer
Title

COUNTY OF LOS ANGELES

By _____
(Mayor/Chairman), Board of Supervisors

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer-Clerk
of the Board of Supervisors

By _____

APPROVED AS TO FORM:

Raymond G. Fortner, Jr.
County Counsel

By [Signature]
Principal Deputy County Counsel



**COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

APPENDIX A: STATEMENT OF WORK

APPENDIX A: STATEMENT OF WORK



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

PREAMBLE

For nearly a decade, the County has collaborated with its community partners to enhance the capacity of the health and human services system to improve the lives of children and families. These efforts require, as a fundamental expectation, that the County's contracting partners share the County and community's commitment to provide health and human services that support achievement of the County's vision, goals, values, and adopted outcomes. Key to these efforts is the integration of service delivery systems and the adoption of the Customer Service and Satisfaction Standards.

The County of Los Angeles' Vision is to improve the quality of life in the County by providing responsive, efficient, and high quality public services that promote the self-sufficiency, well-being and prosperity of individuals, families, business and communities. This philosophy of teamwork and collaboration is anchored in the shared values of:

- | | |
|-------------------|-------------------------|
| ➤ Responsiveness | ➤ Integrity |
| ➤ Professionalism | ➤ Commitment |
| ➤ Accountability | ➤ A Can-Do Attitude |
| ➤ Compassion | ➤ Respect for Diversity |

These shared values are encompassed in the County Strategic Plan, which includes the five following goals: 1) Service Excellence, 2) Workforce Excellence, 3) Organizational Effectiveness, 4) Fiscal Responsibility, and 5) Children and Families' Well-Being. Improving the well-being of children and families requires coordination, collaboration, and integration of services across functional and jurisdictional boundaries, by and between County departments/agencies, and community and contracting partners.

The basic conditions that represent the well-being we seek for all children and families in Los Angeles County are delineated in the following five outcomes, adopted by the Board of Supervisors in January 1993.

- Good Health;
- Economic Well-Being;
- Safety and Survival;
- Emotional and Social Well-Being; and
- Education and Workforce Readiness.

Recognizing no single strategy - in isolation - can achieve the County's outcomes of well-being for children and families, consensus has emerged among County and community leaders that making substantial improvements in integrating the County's health and human services system is necessary to significantly move toward achieving these outcomes. The County has also established the values and goals for guiding this effort to integrate the health and human services delivery system:

Families are treated with respect in every encounter they have with the health, educational, and social services systems.



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Families can easily access a broad range of services to address their needs, build on their strengths, and achieve their goals.

There is no "wrong door": wherever a family enters the system is the right place.

Families receive services tailored to their unique situations and needs.

Service providers and advocates involve families in the process of determining service plans, and proactively provide families with coordinated and comprehensive information, services, and resources.

The County service system is flexible, able to respond to service demands for both the Countywide population and specific population groups.

The County service system acts to strengthen communities, recognizing that just as individuals live in families, families live in communities.

In supporting families and communities, County agencies work seamlessly with public and private service providers, community-based organizations, and other community partners.

County agencies and their partners work together seamlessly to demonstrate substantial progress towards making the system more strength-based, family-focused, culturally-competent, accessible, user-friendly, responsive, cohesive, efficient, professional, and accountable.

County agencies and their partners focus on administrative and operational enhancements to optimize the sharing of information, resources, and best practices while also protecting the privacy rights of families.

County agencies and their partners pursue multi-disciplinary service delivery, a single service plan, staff development opportunities, infrastructure enhancements, customer service and satisfaction evaluation, and revenue maximization.

County agencies and their partners create incentives to reinforce the direction toward service integration and a seamless service delivery system.

The County human service system embraces a commitment to the disciplined pursuit of results accountability across systems. Specifically, any strategy designed to improve the County human services system for children and families should ultimately be judged by whether it helps achieve the County's five outcomes for children and families should ultimately be judged by whether it helps achieve the County's five outcomes for children and families: good health, safety and survival, economic well-being, social and emotional well-being, and education and workforce readiness.

The County, its clients, contracting partners, and the community are working together to develop practical ways to make County services more accessible, customer friendly, better integrated, and outcome-focused. Several departments have identified shared themes in their



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

strategic plans for achieving these goals including: making an effort to become more consumer/client-focused; valuing community partnerships and collaborations; emphasizing values and integrity; and using a strengths-based and multi-disciplinary team approach. County departments are also working to provide the Board of Supervisors and the community with a better understanding of how resources are being utilized, how well services are being provided, and what are the results of the services: is anyone better off?

The County of Los Angeles health and human service departments and their partners are working together to achieve the following ***Customer Service And Satisfaction Standards*** in support of improving outcomes for children and families.

Personal Service Delivery

The service delivery team – staff and volunteers – will treat customers and each other with courtesy, dignity, and respect.

- Introduce themselves by name
- Listen carefully and patiently to customers
- Be responsive to cultural and linguistic needs
- Explain procedures clearly
- Build on the strengths of families and communities

Service Access

Service providers will work proactively to facilitate customer access to services.

- Provide services as promptly as possible
- Provide clear directions and service information
- Outreach to the community and promote available services
- Involve families in service plan development
- Follow-up to ensure appropriate delivery of services

Service Environment

Service providers will deliver services in a clean, safe, and welcoming environment, which supports the effective delivery of services.

- Ensure a safe environment
- Ensure a professional atmosphere
- Display vision, mission, and values statements
- Provide a clean and comfortable waiting area
- Ensure privacy
- Post complaint and appeals procedures

The basis for all County health and human services contracts is the provision of the highest level of quality services that support improved outcomes for children and families. The County and its contracting partners must work together and share a commitment to achieve a common vision, goals, outcomes, and standards for providing services.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

1.0 STATEMENT OF WORK

1.1 Overview

DPSS is seeking a Proposer with experienced, professional staff who can handle a high volume of anonymous calls, transmit to County appropriate reports of suspected welfare fraud, and has an established system of distributing anonymous rewards when authorized and funded by County without compromising the caller's identity.

The Contractor's objectives shall be to:

- 1.1.1 Provide a toll free telephone line for the public to anonymously report suspected welfare fraud crimes.
- 1.1.2 Provide trained multilingual operators experienced in questioning callers to elicit sufficient details of reported instances of suspected welfare fraud crimes.
- 1.1.3 Conduct a campaign to educate the public about welfare fraud and its cost to the public by providing public education and awareness through distribution of written material throughout Los Angeles County.

1.2 Scope of Work

The Contractor shall:

- 1.2.1 Provide all required services as described in this Statement of Work and the Appendices; and adhere to all requirements imposed on Contractor by this Contract.
- 1.2.2 Provide all, except for those items listed in Subsection 1.4.2 County Furnished Items, personnel, equipment, materials, and other items or services necessary to ensure the performance of the required services.
- 1.2.3 Perform to or exceed the standards outlined in Appendix B, Technical Exhibit 1, Performance Requirements Summary and Technical Exhibit 2, Performance Requirements Summary Chart.



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1.3 Specific Tasks

The Contractor shall be responsible for completing the following tasks:

1.3.1 Fraud Referral Services

1.3.1.1 Telephone Calls

Provide a toll free telephone line to be used by the public to report suspected cases of welfare fraud occurring in Los Angeles County. This telephone line is to be adequately staffed by trained operators 24 hours a day, seven days a week.

Provide multilingual operator(s) to handle calls from callers who speak a language other than English.

Ensure operators are trained not to divulge any information to callers about a referral other than the fact that the referral was sent to the DPSS' WFP&I Section. Ensure operators are trained not to mislead callers into believing information they provide will automatically result in a reward since that decision is solely made by a County Reward Review Committee. DPSS and Contractor will work together to develop appropriate telephone protocols.

1.3.1.2 Submission of Fraud Referral Report Forms

Record each call individually on a Fraud Referral Report Form (see Appendix B, Technical Exhibit 3). These referrals are to be sealed in an envelope and sent to DPSS WFP&I Section **on a flow basis** (at a minimum of once per week) via U.S. Mail or by other licensed mail carriers.

Maintain permanent records showing the dates the initial information was received by Contractor and referrals sent to WFP&I.

1.3.1.3 Abuse/Neglect Allegations

1.3.1.3.1 Child Abuse/Neglect Allegations



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Notify the Department of Children and Family Services' (DCFS) Child Abuse Hot Line Section on all suspected welfare fraud calls that also contain allegations of suspected child abuse or neglect.

Due to the serious nature of these referrals, Contractor must telefax them immediately to DCFS by using Fax Numbers 1-213-639-1964. In the event of a telefax machine malfunction, Contractor must telephone DCFS immediately by using the 1-800-540-4000 hot line number. Then Contractor shall send, within 24 hours, a copy of the abuse/neglect referrals to DCFS' Child Abuse Hot Line Section at:

Department of Children and Family Services

Child Abuse Hotline Section
3075 Wilshire Blvd. 5th Floor
Los Angeles, CA. 90010

1.3.1.3. 2 Elder Abuse/Neglect Allegations

Notify The Department of Community and Senior Services (DCSS) Elder Abuse Hotline Section on all suspected welfare fraud calls that also contain allegations of suspected elder abuse or neglect.

Due to the serious nature of these referrals, Contractor must telefax them immediately to DCSS by using Fax Number 1-213-738-6485. In the event of a telefax machine malfunction, Contractor must telephone DCSS immediately by using the 1-800-992-1660 hot line number. Then contractor shall send, within 24 hours, a copy of the abuse/neglect referrals to DCSS' Elder Abuse Hot Line Section at:

Department of Community and Senior Services

Elder Abuse Hotline Section
3175 W. 6th Street
Los Angeles, CA 90020



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1.3.1.4 Other Criminal Allegations

Notify, by sending a copy of the referral, the appropriate investigating or regulating agency on suspected welfare fraud calls that also contain allegations pertaining to other crimes not investigated by DPSS. This shall be done in a reasonable period of time from receipt of the report.

1.3.1.5 Copies Distribution

The original referral shall reflect that copies were provided as specified in 1.3.1.2, 1.3.1.3 and 1.3.1.4 above (i.e., date, time, to whom, etc.)

1.3.2 Publicity

Provide an ongoing media public awareness campaign to publicize the existence and purpose of the toll-free fraud telephone line for reporting suspected fraud in the programs administered by the DPSS. Including but not limited to the cash, Food Stamp and/or Child Care programs and to publicize the reward program. Print, electronic or any other form of media communication operating in Los Angeles County may be used.

NOTE: County is aware there is/shall be complete autonomy between DPSS' fraud hot line program and the Contractor's fraud hot line program. This autonomy shall also preclude any reference to the other's program in any and all media campaigns and literature.

1.3.3 Reward Services

County's Reward Review Committee will periodically meet to make determinations on the eligibility of informants to receive a maximum of \$100 reward for the fraud information reported to Contractor.

1.3.3.1 Reward Review Committee will provide to Contractor a list of informants they have identified and authorized as eligible to receive rewards, utilizing the Reward Authorization Form (see Appendix B, Technical Exhibit 5).

1.3.3.2 Contractor shall invoice County to pay rewards, utilizing the Reward Invoice Bill (see Appendix B, Technical Exhibit 10). Reward monies will be taken from the Reward Fund, which shall be held by County to reward both County's and Contractor's informants.



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1.3.3.3 Upon receipt of the Reward Authorization Form and the reward funds, Contractor shall record receipt of the funds and distribute rewards to informants within ten (10) working days of receipt of funds.

1.3.3.4 Contractor shall maintain a record of reward payments that will include the informant's identification and date payment was made.

1.3.4 Reports

1.3.4.1 Monthly Fraud Referral Report (see Appendix B, Technical Exhibit 6)

Provide monthly statistical count on the number of welfare fraud informant calls referred to DPSS during the report month, and the number who requested rewards.

1.3.4.2 Monthly Fraud Referral Volume Report (see Appendix B, Technical Exhibit 8). Provide monthly listing by suspect name and date sent to DPSS, all fraud referral reports sent to DPSS during the report month.

1.3.4.3 Welfare Fraud Reward Program Publicity Report (see Appendix B, Technical Exhibit 7). Provide a narrative report describing the advertising done during the report month.

1.3.4.4 Telephone Line Certification

Provide a copy of monthly telephone bill to certify that the toll-free fraud reporting line was in operation as required in Section 1.3.1 above.

1.3.4.5 Due Dates for Required Reports

All reports described in 1.3.4.1 through 1.3.4.4 above shall be due by the 10th calendar day after the end of the month in which services were provided. Reports will be with and attached to Contractor's Basic Monthly Charge Invoice bill (see Appendix B, Technical Exhibit 9).

1.3.4.6 Revisions to Required Reports

DPSS may provide Contractor with formats for any of the above required reports should any be revised subsequent to implementation of this contract. Statistical information necessary to complete the reports may be revised by DPSS at any time.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

1.4 Responsibilities

The following identifies the responsibilities of the County and the Contractor personnel.

1.4.1 County Personnel

The County will designate one (1) person who will act as the County Contract Director (CCD) for the County on all policy, procedures, requirements, performance and information pertaining to the Contract. Specifically, the CCD or alternate shall:

- a. Have full authority to monitor the Contractor's performance in the daily operation of this Contract.
- b. Provide direction to the Contractor in areas relating to policy, information and procedural requirements.
- c. Negotiate with the Contractor on changes in service requirements pursuant to Contract Section 8, Standard Terms and Conditions, Change Notices and Amendments, Subparagraph 8.6
- d. Not be authorized to make any changes in the Standard Terms and Conditions of the Contract and is not authorized to obligate the County in any way whatsoever.
- e. Be a staff person from Los Angeles County Department of Public Social Services.

The County will inform the Contractor of the name, address and telephone number of the CCD, in writing, at the time the Contract is awarded, and at anytime thereafter when a change of the CCD is made.

1.4.2 County Furnished Items

1.4.2.1 Reward Fund

County will provide the Contractor with funds from the Reward Fund to reward those informants designated by the Reward Review Committee as eligible to a maximum \$100 reward.



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1.4.2.2 Report Format

County will provide the Contractor with guidance in developing the format for all required report forms. The Contractor will use his own crime report form as the Fraud Referral Report form after DPSS revisions are included for additional details, e.g. welfare case number, Social Security number, etc.

Proposer should provide a copy of the proposed form in its proposal. Contractor shall allow future revisions to these forms for any additional information requested by DPSS which will assist in the identification of DPSS case records and/or in the fraud investigations.

1.4.2.3 Materials

County will provide the Contractor with a list of County-observed holidays.

1.4.3 Contractor Personnel

The Contractor shall provide a Project Manager and alternate who will act as liaison with DPSS and be responsible for the overall management and coordination of this Contract. The Contractor must identify and provide a resume of the individual hired as Contract Project Manager no later than 15 days prior to the Contract start date. The Project Manager and alternate shall be identified, in writing, prior to Contract award and at anytime thereafter a change of Project Manager or alternate is made. The Project Manager, or his/her alternate, shall:

- a. Have full authority to act for the Contractor on all Contract matters relating to the daily operation of this Contract.
- b. Be available between 8:00 a.m. and 5:00 p.m. Monday through Friday except County holidays.
- c. Ensure telephone operators are properly trained in handling the referral calls.
- d. Be able to read, write, speak and understand English.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

1.4.4 Contractor Furnished Items

All personnel, training sites, materials and equipment needed by the Contractor shall be subject to County approval; such approval shall not be unreasonably withheld.

1.4.4.1 Personnel

Furnish administrative, supervisory personnel to ensure performance of all services required by this Statement of Work and adhere to all requirements imposed on Contractor by this Contract.

Furnish sufficient multilingual staff to operate the toll-free fraud telephone line.

1.4.4.2 Equipment/Supplies

The Contractor shall provide training materials for Contractor's staff, supplies, and support equipment (e.g., personal computers, facsimile machines, photocopy machines) necessary to perform all services required by this Statement of Work and adhere to all requirements imposed on the Contractor by the Contract.

1.4.4.3 Materials

The Contractor shall provide sufficient materials in the languages specified by County to adequately publicize the fraud telephone hot line.

1.4.5 Quality Control

The Contractor shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of this Contract. The Plan shall be included in the proposal and revisions submitted to the CCA on the Contract start date, with revisions submitted as changes occur. The plan shall include, but not be limited to, the following:

- 1.4.5.1** A method for assuring that professional staff rendering services under this Contract have necessary college degrees and/or qualifying experience.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

- 1.4.5.2 An in-house performance monitoring method to ensure that Contract requirements are being met. This monitoring method must include the following:
 - a. Specific activities to be monitored,
 - b. Methods of monitoring to be used,
 - c. Frequency of monitoring,
 - d. Samples of forms to be used in monitoring
- 1.4.5.3 A method for identifying and preventing deficiencies in the quality of service before the level of performance becomes unacceptable.
- 1.4.5.4 A record of all inspections conducted by the Contractor, the corrective action taken, the time a problem is first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request.
- 1.4.5.5 The method of continuing to provide services to the County in the event of a strike of the Contractor's employees.

1.4.6 County's Quality Assurance Plan

DPSS shall monitor the Contractor's performance under this Contract using the quality assurance procedures as defined:

- 1.4.6.1 The County Contract Administrator (CCA) reviews all materials received on an ongoing monthly basis.
- 1.4.6.2 Performance Evaluation Meetings shall be held jointly by DPSS and the Contract Manager as often as deemed necessary by the CCA. However, if a Contract Discrepancy Report (Appendix B, Technical Exhibit 4) is issued, a meeting shall be held within five (5) business days, as mutually agreed, to discuss the problem.
- 1.4.6.3 The CCA prepares the action items summary from the Performance Evaluation Meeting. The Contract Manager and the CCA sign this summary. Should the Contract Manager not concur with the action items, he/she shall submit a written statement to the CCA within ten (10) business days from the date of receipt of the summary. This



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statement shall be attached to the CCA's summary and be a part thereof.

- 1.4.6.4 The Contractor's failure to respond shall result in the acceptance of the action items summary as written. If any dispute is still unresolved, the decision of the CCA will be final.
- 1.4.6.5 Upon advance notice, either the County or the Contractor may make an auditory recording of the meeting.

1.5 Contract Discrepancy Reports

Verbal notification of a contract discrepancy will be made to the Contract Manager or designee as soon as possible whenever a Contract discrepancy is identified. The Contract Manager shall resolve the problem within a time period mutually agreed upon by the County Contract Administrator (CCA) and the Contractor.

The CCA will determine whether a formal Contract Discrepancy Report (CDR) shall be issued (Appendix B, Technical Exhibit 4, Contract Discrepancy Report). If a CDR is necessary, it is issued via telefax or mail to the Contract Manager.

The Contractor, upon receipt of the CDR, is required to respond in writing to the CCA within five (5) business days, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all discrepancies identified in the Contract Discrepancy Report and for prevention of future discrepancies shall be submitted within ten (10) business days.

1.6 Performance Requirements Summary

All listings of services used in the Performance Requirements Summary (PRS) (Appendix B, Technical Exhibit 1) are intended to be completely consistent with the Contract and the Statement of Work (SOW), and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

When the Contractor's performance does not conform with the requirements of this Contract, the County will have the option to apply the following non-performance remedies:

Require Contractor to implement a formal corrective action plan, subject to approval by the County. In the plan, the Contractor must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.

Reduce payment to Contractor by a computed amount based on the penalty fees(s) in the PRS.

Reduce, suspend or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.

Failure of the Contractor to comply with or satisfy the request(s) for improvement of performance or to perform the neglected work specified within ten (10) days shall constitute authorization for the County to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of the Contractor's failure to perform said service(s), as determined by the County, shall be credited to the County on the Contractor's future invoice.

This section does not preclude the County's right to terminate the contract upon ten (10) days written notice with or without cause, as provided for in the Contract, Paragraph 8, Standard Term and Conditions, Sub-paragraph 8.60, Termination for Convenience of the County.



**COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

APPENDIX B: TECHNICAL EXHIBITS

APPENDIX B: TECHNICAL EXHIBITS



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC SOCIAL SERVICES

PERFORMANCE REQUIREMENTS SUMMARY (PRS)

1. INTRODUCTION

The PRS displays the major services that will be monitored during the term of the Contract. It indicates the required services, the standards for performance, maximum deviation from standard before service will be determined unsatisfactory, COUNTY's preferred method of monitoring, and the unsatisfactory performance indicator which may be assessed if the service is not satisfactorily provided.

All listings of required services or Standards used in the PRS are intended to be completely consistent with the main body of this Contract and Statement of Work, and are not meant in any case to create, extend, revise or expand any obligation of CONTRACTOR beyond that defined in the main body of the Contract and Statement of Work. In any case of apparent inconsistency between required services or Standards as stated in the main body of the Contract, Statement of Work and the PRS, the meaning apparent in the main body and Statement of Work will prevail. If any required service or Standard seems to be created in the PRS which is not clearly and forthrightly set forth in the main body or Statement of Work, that apparent required service or Standard will be null and void and place no requirement on CONTRACTOR and will not be the basis for penalties.

The COUNTY expects a high standard of CONTRACTOR performance for the required service. DPSS will work with the CONTRACTOR to help resolve any areas of difficulty brought to the attention of the COUNTY Contract Administrator (CCA) by CONTRACTOR before the allowable deviation from the acceptable Standard occurs. However, it is the CONTRACTOR's responsibility to provide the services set forth in this Contract and summarized in the PRS. This section does not modify or replace CONTRACTOR's obligation to provide expert professional services to the COUNTY.

2. PERFORMANCE REQUIREMENTS SUMMARY CHART

The Performance Requirements Summary Chart is Technical Exhibit 2 immediately following this exhibit and:

1. Provides the required services and cites the Section or Paragraph where referenced (Column 1 of chart).
2. Defines the Standards of Performance for each of the required services (Column 2 of chart).
3. Shows the maximum allowable degree of deviation from perfect performance or Acceptable Quality Level (AQL) for each required service that is allowed before the COUNTY assesses a penalty amount or points (Column 3 of chart).
4. Indicates the method of monitoring the services (Column 4 of chart).



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

5. Indicates the penalties/fees to be assessed for exceeding the AQL for each listed required service (Column 5 of chart). These may serve as the baseline for assessing liquidated damages.

3. QUALITY ASSURANCE

Each month CONTRACTOR performance will be compared to the contract standards and Acceptable Quality Levels (AQL's) using the Quality Assurance Monitoring Plan (QAMP). COUNTY may use a variety of inspection methods to evaluate the CONTRACTOR's performance. The methods of monitoring that may be used are:

1. One hundred percent inspection of items, such as reports and invoices, on a periodic basis (daily, weekly, monthly, quarterly, semiannually or annually) as determined necessary to assure a sufficient evaluation of CONTRACTOR performance;
2. Random Sampling of items such as reports, invoices, etc. For random sample tables/methods to be used by COUNTY, refer to book entitled Handbooks Sampling for Auditing and Accounting (2nd Edition) by Herbert Arkin;
3. Review of Reports, Statistical Record and Files maintained by the CONTRACTOR;
4. On-site evaluations; and
5. Complaints

4. MEASURABLE OUTCOMES

CONTRACTOR shall provide services that address, but are not limited to, the following measurable indicators:

- Number of welfare fraud referrals received
- Number of child protective services referrals made
- Number of elder abuse referrals made
- Number of informants requesting rewards
- Number of reward payments made

5. PERFORMANCE MEASURES

1. The CONTRACTOR shall demonstrate in writing how the direct services impact the measurable outcome, upon the COUNTY's request.
2. The CONTRACTOR shall maintain the following documents that reflect the benchmarks are being met:
 - Required statistical reports related to the provided services.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

- Required documents such as telephone bills, bills for advertising, etc. related to the provided services.
- Permanent records showing the dates the initial information was received by CONTRACTOR and referral sent to WFP&I.
- Record of reward payment that will include the informant's identification and date reward payment was made.

6. **CONTRACT DISCREPANCY REPORT (CDR)**

Performance of a listed service is considered acceptable when the service expectation is met and the number of discrepancies found during contract monitoring procedures does not exceed the number of discrepancies allowed by the AQL.

When the performance is unacceptable, the CCA will issue a Contract Discrepancy Report (CDR), Technical Exhibit 4 to the CONTRACTOR's Contract Manager. The Contract Manager is required to:

1. Respond to the CDR within ten (10) workdays.
2. Provide a written explanation stating the reasons for the unacceptable performance, how the performance will resume at an acceptable level, and how recurrence of the problem will be prevented.

The CCA will evaluate the CONTRACTOR's explanation and determine if any financial penalties will be assessed.

7. **CRITERIA FOR ACCEPTABLE OR UNACCEPTABLE PERFORMANCE - RANDOM SAMPLING**

Determine the number of defects that renders a service unsatisfactory as follows:

1. Select a sample at random so that it will be representative of the entire population.
2. Compare the sample to the Standard, and the conclusions are made about CONTRACTOR performance for the whole group.
3. The random sampling plan includes the following information:

**Acceptable Quality Level (AQL)* - The maximum percent of defects that can be accepted and still meet the contract Standard for satisfactory performance;

Lot Size - The total number of unit or services to be provided;

Sample Size - The number of units to be checked in a given time period; and

Acceptance/Rejection Numbers - the numbers which indicate whether the lot is acceptable or unacceptable.



COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC SOCIAL SERVICES

*The AQL for each sample is taken from the PRS. The lot size is determined by how often the CONTRACTOR will provide a service during the month. To ensure each service has an equal chance of being selected, a random number table is used to determine the sample.

8. REMEDY OF DEFECTS

Notwithstanding a finding of unsatisfactory service and assessment of Unsatisfactory Performance Indicators (UPIs), CONTRACTOR must, within ten (10) workdays, remedy any and all defects in the provision of CONTRACTOR's services and, as deemed necessary by the CCA, perform such services again at an acceptable level.

9. UNSATISFACTORY PERFORMANCE REMEDIES

When CONTRACTOR performance does not conform with the requirements of this Contract, COUNTY shall have the option to apply the following nonperformance remedies:

1. Require CONTRACTOR to implement a formal corrective action plan, subject to approval by COUNTY. In the plan, CONTRACTOR must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.
2. Reduce payment to CONTRACTOR by a computed amount based on the penalty fee(s) in the PRS Chart.
3. Reduce, suspend or cancel the Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.
4. Failure of CONTRACTOR to comply with or satisfy the request(s) for improvement of performance or to perform the neglected work specified within ten (10) workdays shall constitute authorization for COUNTY to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of CONTRACTOR's failure to perform said service(s), as determined by COUNTY, shall be credited to COUNTY on CONTRACTOR's future invoice. This section does not preclude COUNTY's right to terminate the Contract upon thirty (30) days written notice with or without cause, as provided for in Section 8.60, Termination for Convenience of COUNTY.

TECHNICAL EXHIBIT 2 **PERFORMANCE REQUIREMENTS SUMMARY CHART**

REQUIRED SERVICES	STANDARDS	DEGREE OF DEVIATION ALLOWED (AQL)	METHODS OF MONITORING	LIQUIDATED DAMAGES
Contractor shall provide toll-free 24-hour, 7-day per week telephone line to be used by the public to report suspected cases of welfare fraud occurring in Los Angeles County Appendix A, Statement of Work Section 3.3.1.1	Ensure telephone equipment and service are available to meet the terms of this contract.	NONE	Telephone bills Inspection and Observation User Complaint	2% of CONTRACTOR's monthly flat fee
Contractor shall publicize the existence and purpose of the toll-free fraud Hot-Line Appendix A, Statement of Work Section 3.3.12	Ensure ongoing media campaign using print, electronic or any other form of media communication operational in Los Angeles County	NONE	Copies of Brochures Advertising bills Inspection & Observation	2% of CONTRACTOR's monthly flat fee
Ensure there are sufficient trained multilingual operators to operate the toll-free fraud telephone line. Appendix A, Statement of Work, Section 1.1.2 Specific Tasks	Provide trained multilingual operators experienced in questioning callers to elicit sufficient details of reported suspected welfare fraud.	NONE	On-Site Observation User Complaint	2% of CONTRACTOR's monthly flat fee
Ensure Contract Manager and alternate are present and replaced when there is a vacancy. In the interim, ensure vacancies do not negatively impact service delivery. Appendix A, Statement of Work, Section 1.4.3, Responsibilities	Provide Contract Manager and alternate and provide qualified replacements within 15 calendar days of vacancy. Have a staffing plan to ensure there is no adverse impact on service delivery due to the staff reduction.	2 Calendar Days	100% Inspection On-Site Observation User Complaint	2% of CONTRACTOR's monthly flat fee
Maintain the confidentiality of all records obtained from the COUNTY under this Contract. Ensure that Confidentiality Agreements for all CONTRACTOR employees are on file. Standard Terms and Conditions Section 7.5, Confidentiality	All CONTRACTOR employees have Confidentiality Agreements on file prior to the employee's start date.	NONE	Random Sampling On-Site Review	\$100 per occurrence
Maintain the anonymity of informants and payment of rewards Appendix A, Statement of Work Section 1.1 Overview	Contractor shall establish a system of distributing anonymous rewards without compromising the informant's identity.	NONE	On-Site Review User Complaint	\$100 per occurrence
Complies with the terms of the Civil Rights Resolution Agreement as directed by DPSS, and as specifically outlined in the Statement of Work. Standard Terms and Conditions, Section 8.7, Compliance with Civil Rights Laws	Ensures the terms of the Civil Rights Resolution Agreement are met.	NONE	On-Site Review User Complaint	\$500 per occurrence

TECHNICAL EXHIBIT 2 **PERFORMANCE REQUIREMENTS SUMMARY CHART**

REQUIRED SERVICES	STANDARDS	DEGREE OF DEVIATION ALLOWED (AQL)	METHODS OF MONITORING	LIQUIDATED DAMAGES
Provide verification of insurance coverage to the COUNTY Contract Administrator prior to the Contract start date, annually during the term of the Contract and at the time of each monitoring visit.	Ensures that all insurance policies are current and meet insurance requirements.	NONE	100% Review	2% of CONTRACTOR's monthly flat fee
Standard Terms and Conditions Section 8.22, General Insurance Requirements and Section 8.23, Insurance Coverage Requirements				
Provide accurate and complete invoices in a timely manner, as requested by COUNTY.	All accurate and complete invoices are submitted within 15 calendar days after the service month.	Two (2) Business Days	100% Review of Invoices Review of MMR	\$100 per occurrence
Standard Terms and Conditions Section 5.0, Contract Payment				
Provide accurate and complete Fraud Referral Report Forms in a timely manner, as requested by COUNTY.	CONTRACTOR shall record each call individually on the Fraud Referral Report Form. These forms are to be forwarded to DPSS WFP&I in a timely manner as required by COUNTY.	Two (2) Business Days	100% Review of Reports Review of MMR	\$100 per occurrence
Appendix A, Statement of Work, Section 1.3, Specific Tasks				
Submit Child Abuse/Neglect Allegations to the appropriate agency in timely manner, as requested by the COUNTY.	CONTRACTOR shall immediately notify, by fax or telephone, the Department of Children and Family Services (DCFS) Child Abuse Hot Line Section of all suspected welfare fraud calls that also contain allegations of suspected child abuse/neglect. In addition, a hard copy of the referral must be sent by mail to DCFS within 24-hours.	NONE	Random Sampling Inspection & Observation User Complaint	\$100 per occurrence
Appendix A, Statement of Work Section 1.3.1.3.1, Child Abuse/Neglect Allegations				
Submit Elder Abuse/Neglect Allegations to the appropriate agency in timely manner, as requested by the COUNTY.	CONTRACTOR shall immediately notify, by fax or telephone, the Department of Community and Senior Services (DCSS) Elder Abuse Hot Line Section of all suspected welfare fraud calls that also contain allegations of suspected elder abuse/neglect. In addition, a hard copy of the referral must be sent by mail to DCSS within 24-hours.	NONE	Random Sampling Inspection & Observation User Complaint	\$100 per occurrence
Appendix A, Statement of Work Section 1.3.1.3.2, Elder Abuse/Neglect Allegations				
Submit Other Criminal Allegations to the appropriate agency in timely manner, as requested by the COUNTY.	CONTRACTOR shall notify the appropriate investigative or regulatory agency of all suspected welfare fraud calls that also contain allegations of crimes not investigated by DPSS. This shall be done by mail within one business day of receipt of report.	NONE	Random Sampling Inspection & Observation User Complaint	\$100 per occurrence
Appendix A, Statement of Work Section 1.3.1.3.3, Other Criminal Allegations				
Develop a Quality Control Plan. Maintain a quality control system.	CONTRACTOR develops and complies with the COUNTY-approved Quality Control Plan.	NONE	Review of QC Plan and Compliance with the Plan	2% of CONTRACTOR's monthly flat fee
Appendix A, Statement of Work, Section 1.2, Quality Control Plan				

WeTip® CRIME REPORT

. HOURS

Page 1 of 2 Pages

ADVISE WETIP OF ARRESTS/CONVICTIONS/DISPOSITIONS**CASE**

The following information may be incomplete. Be advised that all questions have been asked.

Crime Information Report

Date Called:	Time Called:	Referral Media:	
Crime Date:	Crime Time:	Crime Type:	FRAUD: WELFARE
Crime Address:		Drug Type:	
Crime City:		Inf. Will Call Back:	Wants Reward:
Crime State:	Crime Zip Code:	Called Before:	Referral Number:
Crime County:		Operator Number:	Crime Line:
Any Weapons:		Any Dogs:	
Kind of Weapons:		Kind of Dogs:	
Where Kept:		Where Located:	
Method Of Operation/Special Instructions:		Company Name:	

Suspect Information #1

Last Name:		Address:	
First Name:		City:	
Middle Name:		State:	Zip Code:
Also Known As:		County:	
Age:	Date Of Birth:	Telephone:	
Race:	Sex:	Work:	
Weight:	Height:	School:	
Eye Color:	Hair Color:	Hangouts:	
Dist. Marks:		Arrests:	
Uses Drugs/Type:		Gangs:	

Vehicle Information #1

Make:	Model Year:	
Model:	License:	State:
Color:	Owner Name:	

WeTip, Incorporated, P.O. Box 1296, Rancho Cucamonga, CA 91729-1296 - Business Office (909)987-5005 - Fax (909)987-2477
 In passing along anonymous tips to law enforcement agencies, WeTip, Inc., in no way warrants, vouches for, or authenticates the accuracy or reliability of the information contained herein.



CRIME REPORT - Agencies

- HOURS

Page 2 of 2 Pages

ADVISE WETIP OF ARRESTS/CONVICTIONS/DISPOSITIONS

CASE 402504

The following information may be incomplete. Be advised that all questions have been asked

Enforcement Agency #1

Name:		Spoke To:	
Address:		Date Called:	Time Called:
City:		Telephone:	
State:	Zip Code:	FAX Number:	
County:		Date FAXed:	

WeTip, Incorporated, P.O. Box 1296, Rancho Cucamonga, CA 91729-1296 - Business Office (909)987-5005 - Fax (909)987-2477
 In passing along anonymous tips to law enforcement agencies, WeTip, Inc., in no way warrants, vouches for, or authenticates the accuracy or reliability of the information contained herein.

CONTRACT DISCREPANCY REPORT

TECHNICAL EXHIBIT 5

LOS ANGELES COUNTY
DEPARTMENT OF PUBLIC SOCIAL SERVICES
REWARD AUTHORIZATION FORM

INFORMANT DATA

Identification Number	Referral		Case Name		Case Number		Authorization		Authorized	
	Date						Date			Amount

REWARD AUTHORIZATION

DPSS FINANCE DIVISION USE ONLY

Invoice Number	Invoice		Amount		Date	
	Date		Paid		Paid	

Reward Review Committee Authorized Signature Date

WELFARE FRAUD REWARD PROGRAM
MONTHLY FRAUD REFERRAL REPORT

CUMULATIVE FROM
MARCH 22, 2006

Number of Referrals
To DCSS (Elder Abuse)

title)

[illegible]

TECHNICAL EXHIBIT 7

SAMPLE

**WELFARE FRAUD REWARD
PROGRAM PUBLICITY REPORT**

MONTH/YEAR

1. Welfare Fraud Posters, Brochures and stickers distributed to cities in Los Angeles County.
2. Continued television coverage of Welfare Fraud Public Service Announcements on (List Television Stations) in Los Angeles.

Number of announcements during report month: _____

3. Continued radio coverage of Welfare Fraud Public Service Announcements on: (List radio stations) in Los Angeles County.

Number of announcements during report month: _____

4. Other Advertisements (specify)

For further information contact:

TECHNICAL EXHIBIT 8

**WELFARE FRAUD REWARD PROGRAM
FRAUD REFERRAL VOLUME REPORT
(MONTH/YEAR)**

[illegible]

TECHNICAL EXHIBIT 9

BASIC MONTHLY CHARGE INVOICE



BASIC MONTHLY CHARGE INVOICE

INVOICE DATE: XX/XX/XXXX
BILLING PERIOD XX/XXXX

ANONYMOUS FRAUD REFERRALS AND REWARD SERVICES CONTRACT FRAUD REPORTS REFERRED TO DPSS

VENDOR NO. 51386201

WE TIP, INC.

CONTRACT NO. 74375

P.O. BOX 1296

VENDOR SOCIAL SECURITY
OR TAXPAYER I.D. NO. 95-2775100

RANCHO CUCAMONGA, CA 91729
VENDOR NAME/ADDRESS/
TELEPHONE NUMBER
(909) 987-5005

REQUEST FOR: \$ 5,136.86

CONTRACTOR'S AUTHORIZING SIGNATURE
SIGNED

DATE

COUNTY CONTRACT ADMINISTRATOR APPROVAL SIGNATURE
SIGNED

DATE

FOR FINANCE DIVISION/AUDITOR/CONTROLLER USE ONLY

Print Name

Contract Title

Business Unit/Department

Contract Number

&

Contract Description/Project Name

Contract Start Date

or

Contract End Date

TECHNICAL EXHIBIT 11
CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: WeTip, Inc.

CONTRACT NO. _____

CONTRACTOR'S PROJECT MANAGER:

Name: Deborah Walker
Title: Contract Administrator
Address: P.O. Box 1296
Rancho Cucamonga, CA 91729-1296
Telephone: (909) 987-5005 ext. 261
Facsimile: (909) 987-2477
E-Mail Address: wetipwalker@pacbell.net

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: Susan Aguilar
Title: Chief Executive Officer
Address: P.O. Box 1296
Rancho Cucamonga, CA 91729-1296
Telephone: (909) 987-5005 ext. 249
Facsimile: (909) 987-2477
E-Mail Address: susanaguilarceo@wetip.com

Name: _____
Title: _____
Address: _____

Telephone: _____
Facsimile: _____
E-Mail Address: _____

NOTICES TO CONTRACTOR SHALL BE SENT TO THE FOLLOWING ADDRESS:

Address: P.O. Box 1296
Rancho Cucamonga, CA 91729-1296
Telephone: (909) 987-5005 ext. 261
Facsimile: (909) 987-2477
E-Mail Address: wetipwalker@pacbell.net

APPENDIX C: REQUIRED FORMS

**ANONYMOUS WELFARE FRAUD REFERRAL & REWARD SERVICES
BUDGET SHEET**

MARCH 22, 2006 – March 21, 2009

I. SALARIES & EMPLOYEE BENEFITS

A. Salaries & Wages

- | | |
|---|-----------|
| 1. Tip/computer Operator (1) Full Time to coordinate fraud line personnel
\$1559 per month x 36 months | \$ 56,124 |
| 2. Bilingual Operator 50% of Full Time
\$780 per month x 36 months | \$ 28,080 |

B. Employee Benefits

- | | |
|--|----------|
| 1. Medical (1.5) Employee
\$186 per month x 36 months | \$ 6,696 |
|--|----------|

C. Employee Payroll Taxes	\$ 10,104
----------------------------------	------------------

TOTAL SALARIES AND EMPLOYEE BENEFITS	\$101,004
---	------------------

II. SERVICES AND SUPPLIES

A. Office Materials, Public Relations Materials, Printing & Literature

- | | |
|--|-----------|
| 1. Office Materials – tip forms, dispositions, additional information forms,
supplies for computer, copy machine and general office supplies.
\$398.70 per month x 36 months | \$ 14,353 |
| 2. Public Relations Materials – ad printing, literature, PSA's for radio
stations, posters, brochures, flyers, stickers.
\$345.60 per month x 36 months | \$ 12,441 |

B. Communications

- | | |
|---|-----------|
| 1. Telephones – including toll free lines, special (800) 7- FRAUD line,
fax lines for faxing of tips to Department of Children's Services.
\$1,123.50 per month x 36 months | \$ 40,446 |
| 2. Postage – mailing of fraud tip information and fraud materials
\$297.50 per month x 36 months | \$ 10,710 |

C. Insurance

- | | |
|---|----------|
| 1. Workers' Compensation Insurance x 36 months
(portion for above employees) | \$ 1,423 |
| 2. Liability Insurance x 36 months | \$ 4,550 |

TOTAL SERVICES & SUPPLIES	\$ 83,923
--------------------------------------	------------------

TOTAL BUDGET FOR 3 YEARS	\$184,927
---------------------------------	------------------

COST PER MONTH (36 MONTHS)	\$ 5,136.86
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ATTACHMENT B

CERTIFICATION OF INDEPENDENT PRICE DETERMINATION

By submission of this Bid, this potential Contractor certifies that the prices quoted herein have been arrived at independently without consultation, communication, or contract with any other bidder or competitor for the purpose of restricting competition.

The following names with their telephone numbers are persons authorized legally to commit the Bidder/Contractor:

Name:

Telephone number

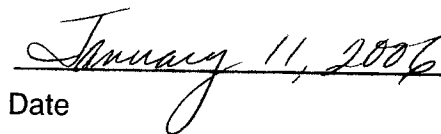
Susan Aguilar

(909) 987-5005 ext. 249

Name of Firm: WeTip, Inc.

Typed Name and Title of Signer: Susan Aguilar, Chief Executive Officer


Signature


Date

**CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND
CONFIDENTIALITY AGREEMENT**

GENERAL INFORMATION

Your employer, WeTip, Inc., entered into a contract with the County of Los Angeles to provide various services to the County. Therefore, we need your signature on this employee acknowledgment and confidentiality agreement.

ACKNOWLEDGMENT OF EMPLOYER

- *I understand that WeTip, Inc. is my sole employer for purposes of this employment.*
- *I rely exclusively upon WeTip, Inc. for payment of salary and any and all other benefits payable to me or on my behalf during the period of this employment for work performed under the Contract.*
- *I understand and agree that I am not an employee of Los Angeles County for any purposes and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles during the period of this employment.*
- *I understand and agree that I do not have and will not acquire any rights or benefits pursuant to any agreement between my employer WeTip, Inc. and the County of Los Angeles.*

(Initial and date) _____

CONFIDENTIALITY AGREEMENT

As an employee of WeTip, Inc., you may be involved with work pertaining to County services and if so, you may have access to confidential data pertaining to persons and/or other entities who receive services from the County of Los Angeles. The County of Los Angeles has a legal obligation to protect all confidential data, especially data concerning welfare recipient records. If you are to be involved in County work, the County must ensure that you, too, will protect the confidentiality of all data. Consequently, you must sign this confidentiality agreement as a condition of your work to be provided by WeTip, Inc. for the County.

**CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND
CONFIDENTIALITY AGREEMENT
(Continued)**

Please read the following Contract and take time to consider it prior to signing:

- *I hereby agree that I will not divulge, to any unauthorized person, data obtained while performing work pursuant to the Contract between WeTip, Inc. and the County of Los Angeles.*
- *I agree to forward all requests for the release of information received by me to my immediate supervisor.*
- *I agree to report any and all violations of the above by any other person and/or by myself to my immediate supervisor.*
- *I agree to return all confidential materials to my immediate supervisor upon termination of my employment with WeTip, Inc. or completion of the presently assigned work task, whichever occurs first.*
- *I acknowledge that violation of this agreement and acknowledgment may subject me to civil and/or criminal action and that the County of Los Angeles will seek all possible legal redress.*

_____ **(Initial and Date)**

CONFLICT OF INTEREST POLICY

I ACKNOWLEDGE MY RESPONSIBILITY TO REPORT MY EMPLOYMENT TO MY ELIGIBILITY WORKER OR SOCIAL WORKER SHOULD I APPLY FOR, AM CURRENTLY, OR BECOME A RECIPIENT OF ANY PUBLIC ASSISTANCE OR SERVICES PROGRAM ADMINISTERED BY DPSS.

These are some of the programs that are administered by DPSS:

- California Work Opportunity and Responsibility for Kids (CalWORKs)
- Los Angeles County General Relief Program (GR)
- California Medi-Cal Program (Medi-Cal)
- Food Stamps Program (FS)
- Social Services to Adults, Children, and Families
- Supervision of Children Placed in Foster Care
- Cuban/Haitian Entrant Program (CHEP)
- Refugee Resettlement Program (RRP)
- Special Circumstances (SC)
- Repatriate Program (Repat)

**CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND
CONFIDENTIALITY AGREEMENT
(Continued)**

CONFLICT OF INTEREST POLICY (Continued)

DURING THE TIME THAT I HAVE ACCESS TO PUBLIC ASSISTANCE RECORDS WHILE ACTING ON BEHALF OF MY EMPLOYER WeTip, Inc., I AGREE TO REPORT TO MY IMMEDIATE SUPERVISOR THAT I HAVE (WITHIN THE LAST THIRTY [30] DAYS) APPLIED FOR OR AM RECEIVING PUBLIC ASSISTANCE. IF I HAVE ACCESS TO MY OWN, MY RELATIVES' OR CLOSE FRIENDS' PUBLIC ASSISTANCE RECORDS, I WILL MAKE THIS KNOWN TO MY IMMEDIATE SUPERVISOR.

I understand that I am to report any of the following relationships and that the County will screen contractor employees to ensure that reporting responsibilities are being met, and that I shall have no access to my public assistance records or the records of any friend, relative, business relation, personal acquaintance, tenant, or any individual whose relationship could reasonably sway my conduct or performance on the job. Access includes, but is not limited to, determining eligibility for public assistance, transmitting computer data, and physical possession of financial documents or fingerprint images and fingerprint documents.

IT IS YOUR RESPONSIBILITY TO BE AWARE OF POSSIBLE CONFLICTS OF INTEREST AND TO IMMEDIATELY NOTIFY YOUR IMMEDIATE SUPERVISOR IN WRITING OF THE FACTS, SO THAT A DETERMINATION CAN BE MADE OF WHETHER OR NOT SUCH A CONFLICT EXISTS. YOUR REPORT WILL BE HELD IN CONFIDENCE.

Name: _____
(Contractor Employee's Signature)

Date: _____

Name: _____
(Please Print Contractor Employee's Name)

Working Title: _____

Original: Contractor
Copy: Contract Employee

CERTIFICATION OF NO CONFLICT OF INTEREST

The Los Angeles County Code, Section 2.180.010, provides as follows:

CONTRACTS PROHIBITED

Notwithstanding any other section of the Code, the County shall not contract with, and shall reject any proposals submitted by, the persons or entities specified below, unless the Board of Supervisors finds that special circumstances exist which justify the approval of such contract:

1. Employees of the County or of public agencies for which the Board of Supervisor is the governing body;
2. Profit-making firms or businesses in which employees described in number 1 serve as officers, principals, partners, or major shareholders;
3. Persons who, within the immediately preceding 12 months, came within the provisions of number 1, and who:
 - a. Were employed in positions of substantial responsibility in the area of service to be performed by the contract; or
 - b. Participated in any way in developing the contract or its service specification; and
4. Profit-making firms or businesses in which the former employees, described in number 3, serve as officers, principals, partners, or major shareholders.

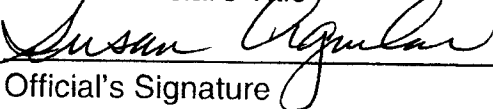
Contracts submitted to the Board of Supervisors for approval or ratification shall be accompanied by an assurance by the department submitting, district or agency that the provisions of this section have not been violated.

WeTip, Inc.

Vendor Name

Chief Executive Officer

Vendor Official's Title



Official's Signature

Certification of No Conflict of Interest

**COUNTY OF LOS ANGELES CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM
APPLICATION FOR EXCEPTION AND CERTIFICATION FORM**

The County's solicitation for this contract/purchase order (Request for Proposal or Invitation for Bid) is subject to the County of Los Angeles Contractor Employee Jury Service Program (Program) (Los Angeles County Code, Chapter 2.203). All Bidders or Proposers, whether a Contractor or Subcontractor, must complete this form to either 1) request an exception from the Program requirements or 2) certify compliance. Upon review of the submitted form, the County department will determine, in its sole discretion, whether the Bidder or Proposer is exempted from the Program.

Company Name: WeTip, Inc.		
Company Address: P.O. Box 1296		
City: Rancho Cucamonga	State: California	Zip Code: 91729
Telephone Number: (909) 987-5005		
Solicitation For (Type of Goods or Services): Welfare Fraud Referrals & Reward Payments		

If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program Is Not Applicable to My Business

- ☐ My business does not meet the definition of "contractor", as defined in the Program as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts (this exception is not available if the contract/purchase order itself will exceed \$50,000). I understand that the exception will be lost and I must comply with the Program if my revenues from the Country exceed an aggregate sum of \$50,000 in any 12-month period.
- ☐ My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the proceeding twelve months which, if added to the annual amount of this contract, are \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exemption will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

"Dominant in its field of operation" means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.

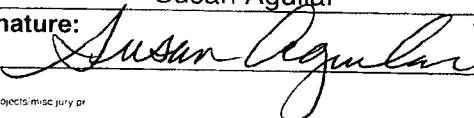
"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program. OR

Part II – Certification of Compliance

My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees or the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Print Name: Susan Aguilar	Title: Chief Executive Officer
Signature: 	Date: January 11, 2006

special projects/misc jury pr

BIDDER'S/OFFEROR'S EEO CERTIFICATIONBidder's/Offoror's Name: WeTip, Inc.Address: P.O. Box 1296, Rancho Cucamonga, CA 91729-1296Internal Revenue Service Employer Identification Number: 95-2775100**GENERAL**

In accordance with *Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000e through 2000e-17, Section 504 of the Rehabilitation Act of 1975, the Food Stamp Act of 1977, the Welfare and Institutions Code Section 10000, California Department of Social Services Manual of Policies and Procedures Division 21, and the Americans with Disabilities Act of 1990*, the Contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, color, religion, ancestry, national origin, age, condition of disability, marital status, political affiliation or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

BIDDER'S/OFFEROR'S CERTIFICATION

- (Circle one)
1. The bidder/offoror has a written policy statement prohibiting discrimination in all phases of employment. ☒ Yes ☐ No
 2. The bidder/offoror periodically conducts a self-analysis or utilization analysis of its work force. ☒ Yes ☐ No
 3. The bidder/offoror has a system for determining if its employment practices are discriminatory against protected groups. ☒ Yes ☐ No
 4. Where problem areas are identified in employment practices, the bidder/offoror has a system for taking reasonable corrective action to include the establishment of goals or timetables. ☒ Yes ☐ No

Name and Title of Signer: Susan Aguilar – Chief Executive Officer


Signature

January 11, 2006
Date

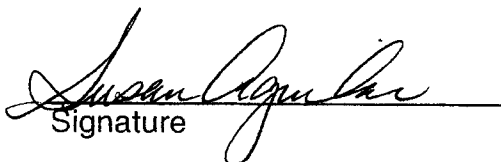
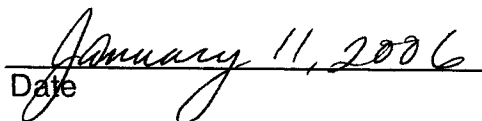
BIDDER'S/OFFEROR'S NONDISCRIMINATION IN SERVICES CERTIFICATIONBidder's/Offeror's Name: WeTip, Inc.Address: P.O. Box 1296 Rancho Cucamonga, CA 917291296Internal Revenue Service Employer Identification Number: 95-2775100**GENERAL**

In accordance with Subchapter VI and VII of the *Civil Rights Act of 1964*, Section 504 of the *Rehabilitation Act of 1973*, as amended, the *Age Discrimination Act of 1975*, the *Food Stamp Act of 1977*, and the *Americans with Disabilities Act of 1990*, the Contractor, supplier, or vendor certifies and agrees that all persons serviced by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, color, religion, ancestry, national origin, age, condition of disability, marital status, political affiliation or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

BIDDER'S/OFFEROR'S CERTIFICATION

(Circle one)

1. The bidder/offeror has a written policy statement prohibiting discrimination in providing services and benefits.
2. The bidder/offeror periodically monitors the equal provision of services to services to ensure nondiscrimination.
3. Where problem areas are identified in equal provisions of services and benefits, the bidder/offeror has a system for taking reasonable corrective action within a specified length of time.

☒ Yes ☐ No☒ Yes ☐ No☒ Yes ☐ NoName and Title of Signer: Susan Aguilar – Chief Executive Officer
Signature
Date

LOS ANGELES COUNTY COMMUNITY BUSINESS ENTERPRISE (LAC/CBE) PROGRAM

CBE FIRM/ORGANIZATION INFORMATION

INSTRUCTIONS: All Proposers responding to the solicitation must return this form for proper consideration of the proposal. The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to gender, race, creed, or color. Categories listed below are based on those described in 49 CFR § 23.5.

I. TYPE OF BUSINESS STRUCTURE: Non-Profit (501C)

(Non-profit, Corporation, Partnership, Joint Venture, Sole Proprietorship.) If you are a non-profit, please skip sections II through V, fill in the name of the firm, and sign page two of this form.

II. TOTAL NUMBER OF EMPLOYEES IN FIRM (including owners): _____

III. CULTURAL/ETHNIC COMPOSITION OF FIRM (Partners, Associate Partners, Managers, Staff,
Please break down the above total number of employees into the following categories:

	OWNERS/PARTNERS/ ASSOCIATE PARTNERS		MANAGERS		STAFF	
	Male	Female	Male	Female	Male	Female
Black/African American						
Hispanic/Latin American						
Asian American						
American Indian/Alaskan Native						
White						

IV. PERCENTAGE OF OWNERSHIP IN FIRM: Please indicate by percentage (%) how ownership of the firm is distributed.

	Black/African American	Hispanic/Latin American	Asian American	American Indian/Alaskan Native	White
Men	%	%	%	%	%
Women	%	%	%	%	%

V. CERTIFICATION AS MINORITY, WOMEN-OWNED, DISADVANTAGED AND DISABLED VETERANS BUSINESS ENTERPRISES: Is your firm currently certified as a minority, women-owned, disadvantaged or disabled veterans business enterprise by a public agency? (If yes, complete the following and attach a copy of your notice of certification).

	M	W	D	DV	
Agency _____	_____	_____	_____	_____	Expiration Date: _____
Agency _____	_____	_____	_____	_____	Expiration Date: _____

LEGEND: M = Minority W = Women-Owned D = Disadvantaged DV = Disabled Veterans

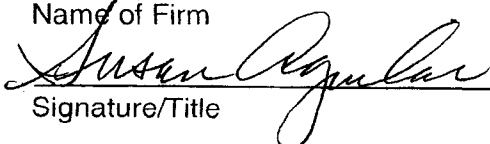
CBE SANCTIONS

It is the policy of the County of Los Angeles Board of Supervisors that it is unlawful for any person to knowingly submit fraudulent information with the intent of receiving CBE certification and its concurrent benefits for which they are not entitled.

1. A person or business shall not:
 - a) Knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain, acceptance or certification as a minority or women business enterprise, or both, for the purpose of this article.
 - b) Willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County Official or employee for the purpose of influencing the acceptance or certification or denial of acceptance or certification of any entity as a minority or women-owned business enterprise, or both.
 - c) Willfully and knowingly obstruct, impede, or attempt to obstruct or impede, any County official or employee who is investigation the qualifications of a business entity which has requested acceptance or certification as a minority or women business enterprise, or both.
 - d) Knowingly and with intent to defraud, fraudulently obtain, attempt to obtain, or aid another person or business in fraudulently obtaining or attempting to obtain, public monies to which the person or business is not entitled under this article.
2. Any person or business that violates paragraph (1) shall be suspended from proposing on, or participating as contractor, sub-contractor, or supplier in, any County contract or project for a period of three (3) years.
3. No County agency with the powers to award contracts shall enter into any contract with any person or business suspended for violating this section during the period of the person's or business' suspension. No awarding department shall award a contact to any contractor utilizing the services of any person or business as a sub-contractor suspended for violation this section during the period of the person's or business' suspension.

I acknowledge, that the undersigned, on behalf of himself or herself individually and on behalf of his or her business or organization, if any, if fully aware of the above policy of the County of Los Angeles and I declare under penalty of perjury that the foregoing Firm/Organization Information is true and correct.

WeTip, Inc.
Name of Firm


Signature/Title

- Chief Executive Officer


CBE FORM Revised 06/01

**CONTRACTOR/VENDOR ASSURANCE OF COMPLIANCE
OF CIVIL RIGHTS RESOLUTION AGREEMENT
WITH THE LOS ANGELES COUNTY
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

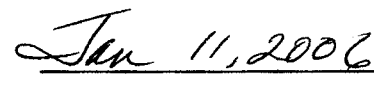
We, **WeTip, INC.**, agree to comply with the Civil Rights Resolution Agreement the County of Los Angeles, Department of Public Social Services (DPSS), has entered into with the Office for Civil Rights, Department of Health and Human Services Region IX. We, **WeTip, Inc.**, also agree to comply with the following Civil Rights provisions: Title VI and Title VII of the Federal Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, as amended; Age Discrimination Act of 1975; Food Stamp Act of 1977; American with Disabilities Act of 1990; Government Code Section 11135; California Code of Regulation, Title 22, Section 98000-98413; California Department of Social Services Manual of Policies and Procedures, Division 21; and other applicable Federal and State laws, rules, and regulations to ensure that employment practices and the delivery of social service programs are non discriminatory.

As a contractor with DPSS, **WeTip, Inc.** agrees to comply with the provisions set forth in the Resolution Agreement aforementioned. Further, **WeTip, Inc.** agrees to comply with the requirements of the Resolution Agreement and **WeTip, Inc.** understands that it is necessary to ensure their respective public contact staff receive the DPSS provided Civil Rights training, ensure participants receive notices in their primary language, provide interpreters as needed, and comply with all other requirement of the Resolution Agreement.

By signing this form, we, **WeTip, Inc.**, agree to the aforementioned.



Director's Signature (Contractor)



Date

P.O. Box 1296

Rancho Cucamonga, CA 91729

Contractor's Address

CHARITABLE CONTRIBUTIONS CERTIFICATION

WeTip, Inc.

Company Name

P.O. Box 1296 Rancho Cucamonga, CA 91729-1296

Address

95 - 2775100

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" Number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

CERTIFICATION

YES

NO

Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

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OR

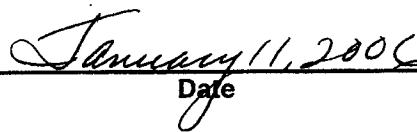
Proposer or Contractor is registered with the California Registry of Charitable Trusts under CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, Sections 300-301 and Government Code Sections 12585-12586.

(X)

()



Signature



Date

Susan Aguilar – Chief Executive Officer

Name and Title (please type or print)

APPENDIX D

APPENDIX D

COUNTY OF LOS ANGELES POLICY ON DOING BUSINESS WITH SMALL BUSINESS

Forty-two percent of businesses in Los Angeles County have five or fewer employees. Only about four percent of businesses in the area exceed 100 employees. According to the Los Angeles Times and local economists, it is not large corporations, but these small companies that are generating new jobs and helping move Los Angeles County out of its worst recession in decades.

WE RECOGNIZE....

The importance of small business to the County...

- in fueling local economic growth
- providing new jobs
- creating new local tax revenue
- offering new entrepreneurial opportunity to those historically under-represented in business

The County can play a positive role in helping small business grow...

- as a multi-billion dollar purchaser of goods and services
- as a broker of intergovernmental cooperation among numerous local jurisdictions
- by greater outreach in providing information and training
- by simplifying the bid/proposal process
- by maintaining selection criteria which are fair to all
- by streamlining the payment process

WE THEREFORE SHALL:

1. Constantly seek to streamline and simplify our processes for selecting our vendors and for conducting business with them.
2. Maintain a strong outreach program, fully coordinated among our departments and districts, as well as other participating governments to: a) inform and assist the local business community in competing to provide goods and services; b) provide for ongoing dialogue with and involvement by the business community in implementing this policy.
3. Continually review and revise how we package and advertise solicitations, evaluate and select prospective vendors, address subcontracting and conduct business with our vendors, in order to: a) expand opportunity for small business to compete for our business; and b) to further opportunities for all businesses to compete regardless of size.
4. Ensure that staff who manage and carry out the business of purchasing goods and services are well trained, capable and highly motivated to carry out the letter and spirit of the policy.

APPENDIX E

APPENDIX E

COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**A. Jury Service Program**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Section 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if:
 - 1) the lesser number is a recognized industry standard as determined by the County, or
 - 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time.Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this section. The provisions of this section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement

APPENDIX E**COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**

3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this section of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

APPENDIX F

APPENDIX F

**Title 2 ADMINISTRATION
DETERMINATIONS OF CONTRACTOR NON-RESPONSIBILITY
AND CONTRACTOR DEBARMENT ORDINANCE**

Page 1 of 4

2.202.010 Findings and declarations.

The board of supervisors finds that, in order to promote integrity in the COUNTY's contracting processes and to protect the public interest, the COUNTY's policy shall be to conduct business only with responsible contractors. Determinations of contractor non-responsibility and contractor debarment shall be made in accordance with the procedures set forth in the ordinance codified in this chapter and implementation instructions issued by the auditor-controller. (Ord. 2000-0011 § 1 (part), 2000.)

2.202.020 Definitions.

For purposes of this chapter, the following definitions apply:

- A. "Contractor" means a person, partnership, corporation or other entity who has contracted with, or is seeking to contract with, the county to provide goods to, or perform services for or on behalf of, the county. A contractor includes a contractor, subcontractor, vendor, or any person or entity who or which owns an interest of 10 percent or more in a contractor, subcontractor or vendor.
- B. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county.
- C. "Debarment" means an action taken by the county which results in a contractor being prohibited from bidding upon, being awarded, and/or performing work on a contract with the COUNTY for a period of up to three years. A contractor who has been determined by the county to be subject to such a prohibition is "debarred."
- D. "Department head" means either the head of a department responsible for administering a particular contract for the county or the designee of same.
- E. "County" means the County of Los Angeles, any public entities for which the Board of Supervisors is the governing body, nonprofit corporations created by the county and any joint powers authorities that have adopted COUNTY contracting procedures.
- F. "Contractor hearing board" means the persons designated to preside over contractor debarment hearings and make recommendations on debarment to the Board of Supervisors. (Ord. 2000-0011 § 1 (part), 2000.)

**Title 2 ADMINISTRATION
DETERMINATIONS OF CONTRACTOR NON-RESPONSIBILITY
AND CONTRACTOR DEBARMENT ORDINANCE**

2.202.030 Determination of Contractor Non-Responsibility.

- A. Prior to a contract being awarded by the COUNTY, the COUNTY may determine that a party submitting a bid or proposal is non-responsible for purposes of that contract. In the event that the COUNTY determines that a bidder/proposer is non-responsible for a particular contract, said bidder/proposer shall be ineligible for the award of that contract.
- B. The COUNTY may declare a contractor to be non-responsible for purposes of a particular contract if the COUNTY, in its discretion, finds that the contractor has done any of the following: (1) committed any act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the COUNTY or any other public entity, or engaged in a pattern or practice which negatively reflects on same; (2) committed an act or omission which indicates a lack of business integrity or business honesty; or (3) made or submitted a false claim against the COUNTY or any other public entity.
- C. Before making a determination of non-responsibility pursuant to this chapter, the Department Head shall give written notice to the CONTRACTOR of the basis for the proposed non-responsibility determination, and shall advise the CONTRACTOR that a non-responsibility hearing will be scheduled on a date certain. Thereafter, the Department Head shall conduct a hearing where evidence on the proposed non-responsibility determination is presented. The CONTRACTOR and/or attorney or other authorized representative of the CONTRACTOR shall be afforded an opportunity to appear at the non-responsibility hearing and to submit documentary evidence, present witnesses and offer rebuttal evidence. After such hearing, the Department Head shall prepare a proposed decision, which shall contain a recommendation regarding whether the CONTRACTOR should be found non-responsible with respect to the contract(s) at issue. A record of the hearing, the proposed decision and any recommendation shall be presented to the Board of Supervisors. The Board of Supervisors may, in its discretion, limit any further hearing to the presentation of evidence not previously presented. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Department Head. A non-responsibility finding shall become final upon approval by the Board of Supervisors.
- D. The decision by the COUNTY to find a CONTRACTOR non-responsible for a particular contract is within the discretion of the COUNTY. The seriousness and extent of the CONTRACTOR's acts, omissions, patterns or practices as well as any relevant mitigating factors may be considered by the COUNTY in determining whether a CONTRACTOR should be deemed non-responsible. (Ord. 2000-0011 § 1 (part), 2000).

**Title 2 ADMINISTRATION
DETERMINATIONS OF CONTRACTOR NON-RESPONSIBILITY
AND CONTRACTOR DEBARMENT ORDINANCE**

2.202.040 Debarment of Contractors.

- A. The COUNTY may debar a CONTRACTOR who has an existing contract with the COUNTY and/or a CONTRACTOR who has submitted a bid or proposal for a new contract with the COUNTY.
- B. The COUNTY may debar a CONTRACTOR if the COUNTY finds, in its discretion, that the CONTRACTOR has done any of the following: (1) violated any term of a contract with the County; (2) committed any act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the COUNTY or any other public entity, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty; or (4) made or submitted a false claim against the COUNTY or any other public entity.
- C. Before making a debarment determination pursuant to this chapter, the Department Head shall give written notice to the CONTRACTOR of the basis for the proposed debarment, and shall advise the CONTRACTOR that a debarment hearing will be scheduled on a date certain. The Contractor Hearing Board shall conduct a hearing where evidence on the proposed debarment is presented. The CONTRACTOR and/or attorney or other authorized representative must be given an opportunity to appear at the hearing and to submit documentary evidence, present witnesses, and offer rebuttal evidence at that hearing. After such hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the CONTRACTOR should be debarred and, if so, the appropriate length of time for the debarment. A record of the hearing, the proposed decision and any recommendation shall be presented to the Board of Supervisors. The Board of Supervisors may, in its discretion, limit any further hearing to the presentation of evidence not previously presented. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board. A debarment finding shall become final upon the approval of the Board of Supervisors.
- D. The decision by the COUNTY to debar a CONTRACTOR is within the discretion of the COUNTY. The seriousness and extent of the CONTRACTOR's acts, omissions, patterns or practices as well as any relevant mitigating factors may be considered by the COUNTY in making any debarment decision. Upon a debarment finding by the Board of Supervisors, the COUNTY shall have the right, in its discretion, to determine the length that the CONTRACTOR may be prohibited from bidding upon and being awarded a new contract with the COUNTY, which period may not exceed three years. In addition, upon a debarment finding by the Board of Supervisors, the COUNTY may, in its discretion, terminate any or all existing contracts the CONTRACTOR may have with the COUNTY. In the event that any existing contract is terminated by the COUNTY, the COUNTY shall maintain the right to pursue all other rights and remedies provided by the contract and/or applicable law. (Ord. 2000-0011 § 1 (part), 2000.)

**Title 2 ADMINISTRATION
DETERMINATIONS OF CONTRACTOR NON-RESPONSIBILITY
AND CONTRACTOR DEBARMENT ORDINANCE**

2.202.050 Pre-emption.

In the event any contract is subject to federal and/or state laws that are inconsistent with the terms of the ordinance codified in this chapter, such laws shall control. (Ord. 2000-0011 § 1 (part), 2000.)

2.202.060 Severability.

If any section, subsection, subpart or provision of this chapter, or the application thereof to any person or circumstances, is held invalid, the remainder of the provisions of this chapter and the application of such to other persons or circumstances shall not be affected thereby. (Ord. 2000-0011 § 1 (part), 2000.)

APPENDIX G

APPENDIX G

Listing of Contractors Debarred in Los Angeles County

Vendor Name: A. DATA SOLUTION (AUTOMATED DATA SOLUTION)

Alias:

Debarment Date: **Start** 3/4/2003 **Debarment End Date:** 3/3/2006

Principal Owners and/or Affiliates: Renee Setero

Vendor Name: ADVANCED BUILDING MAINTENANCE

Alias:

Debarment Date: **Start** 6/14/2005 **Debarment End Date:** 6/13/2008

Principal Owners and/or Affiliates: Michael Sullivan Erlinda Sullivan

Vendor Name: LA INTERNET CORPORATION

Alias: 2X, Inc. a.k.a. LA Internet, Inc., 2X Access, Internet Business International; (Referred to collectively as "LA Internet")

Debarment Date: **Start** 9/9/2003 **Debarment End Date:** 9/8/2006

Principal Owners and/or Affiliates: Albert Reda
Ken Reda
Louis Cherry

Vendor Name: MTS Advanced Corp.

Alias:

Debarment Date: **Start** 2/8/2005 **Debarment End Date:** 2/7/2008

Principal Owners and/or Affiliates: Emir Khan / Zulaine Hernandez

APPENDIX H

APPENDIX H

BACKGROUND AND RESOURCES: CALIFORNIA CHARITIES REGULATION

BACKGROUND

There is keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code §12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fund-raising practices and documentation. Charities with over \$2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A Proposer on Los Angeles County contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance

RESOURCES

The following references to resources are offered to assist Proposers who engage in charitable contributions activities. Each Proposer, however, is ultimately responsible to research and determine its own legal obligations and properly complete its compliance certification (Attachment U).

In California, supervision of charities is the responsibility of the Attorney General whose website, <http://caag.stte.ca.us/>, contains much information helpful to regulated charitable organizations.

LAWS AFFECTING NONPROFITS

The "Supervision of Trustees and Fundraisers for Charitable Purposes Act" is found at California Government Code §§ 12580 through 12599.7. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations ("advertising") are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: <http://www.cnmsocal.org/>. Both organizations' websites offer information about how to establish and manage a charitable organization.

APPENDIX I

APPENDIX I

Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2004)

**Have You Told Your Employees About the
Earned Income Credit (EIC)?**
What Is The EIC?

The EIC is a refundable tax credit for certain workers.

What's New. Workers cannot claim the EIC if their 2004 investment income (Such as interest and dividends) is over \$2,650.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note. You are encouraged to notify each employee whose wages for 2004 are less than \$35,458 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2005.

SAMPLE FORM
FORM MUST BE UPDATED EACH
YEAR BY IRS.
CONTACT IRS FOR UPDATED FORM

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice by calling 1-800-829-3676, or from the IRS website at www.irs.gov.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2004 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2004 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2004 and owes no tax but is eligible for a credit of \$791, he or she must file a 2004 tax return to get the \$791 refund.

How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2005 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

Notice 1015

(Rev. 12-2004)

Cat. No. 205991

APPENDIX J

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It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

**The California Safely
Surrendered Baby Law:**

Allows a distressed birth parent(s) to legally, confidentially, and safely give up their baby.

Provides a safe place for babies.

Protects the parent(s) from arrest or prosecution for abandonment as long as the baby has not been abused or neglected.

Does not require that names be given when the baby is turned over.

Permits parents to bring a baby within 3 days of birth to any Los Angeles County hospital ER or fire station.

No shame.

No blame.

No names.

**Newborns can be safely given up
at any Los Angeles County hospital
emergency room or fire station.**



State of California
Gray Davis, Governor

**Health and Human
Services Agency**
Grantland Johnson, Secretary

**Department
of Social Services**
Rita Saenz, Director



**Los Angeles County
Board of Supervisors**

Gloria Molina
Supervisor, First District
Yvonne Brathwaite Burke
Supervisor, Second District
Zev Yaroslavsky
Supervisor, Third District
Don Knabe
Supervisor, Fourth District
Michael D. Antonovich
Supervisor, Fifth District



In Los Angeles County:
1-877-BABY SAFE
1-877-222-9723
www.babysafela.org

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed in with a loving family while the adoption process was started.

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